



# Supplier Code of Conduct

By entering into agreements with companies in the Peab Group, the supplier undertakes to comply with Peab's Supplier Code of Conduct.





**A word  
from  
the CEO**

**Peab works to achieve a responsible, ethical and transparent business culture that is based on trust in our employees and suppliers. Collaborating with us therefore means showing respect for human rights, diversity and inclusivity, the environment and following set regulations and guidelines.**

Responsible business is a necessity for us to be able to future-proof Peab as the Nordic community builder, and we see the management of our value chain as an integral part of this responsibility. We also want – together with our suppliers – to define opportunities for value creation in the short and long term. We are convinced that responsible collaborations also drive innovation and the emergence of new business models. But this presupposes that we are clear about how we create economic value through collaboration, and at the same time respect human and environmental needs and rights.

Thank you for sharing our values!

Jesper Göransson,  
CEO and President Peab AB

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## 1. WHY DOES PEAB HAVE A SUPPLIER CODE OF CONDUCT?

This Supplier Code of Conduct ("Code") aims to ensure that Peab's suppliers, sub-contractors, sub-suppliers, and partners (collectively, "suppliers") contribute to respect for human rights and the environment in their own operations and through their value chains, by identifying, preventing, limiting and addressing negative consequences for human rights and the environment.

To ensure compliance throughout the value chain, Peab requires that suppliers adhere to this code, and ensure that their own suppliers likewise conform.

## 2. THE FOUNDATION OF THE SUPPLIER CODE OF CONDUCT

The foundation for this Code is Peab's Code of Conduct and the core values that guide us in everything we do. The Code is based on the UN Global Compact and its ten principles in the areas of human rights, labour law, the environment and the fight against corruption and its underlying conventions and declarations. The principles of the Code are also based on the UN Declaration of Human Rights, the UN Sustainable Development Goals and the ILO's Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGP), the general principles of the International Bill of Human Rights and the OECD Anti-Bribery Convention and its recommendations.<sup>1</sup>

We follow the core principles and guidelines above wherever we conduct our business while at the same time taking into account the specific circumstances of each country.

1)

It is important that the Supplier builds this into their policies and governing documents, with regard to Minimum Safeguards and Human Rights:

- The OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines)
- The UN Guiding Principles on Business and Human Rights (UNGPs)
- The Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work
- The International Bill of Human Rights
- The OECD Anti-Bribery Convention & OECD Anti-Bribery Recommendations

We recommend that all suppliers develop anti-corruption guidelines. Feel free to be inspired by ours, which can be found at [peab.se](https://www.peab.se).

### 3. BUSINESS ETHICS AND PRINCIPLES

#### **We do not accept corruption**

We always act responsibly and ethically in business relationships. We do not tolerate any form of corruption, bribery or blackmail. This means, for example, that:

- We act and take decisions without consideration of personal gain for ourselves or those close to us. We do not use relationships with business partners for personal gain.
- We avoid situations that can create or give the impression of creating conflicts of interest. This can happen, for example, if a person makes decisions that favour personal interests, but are contrary to the interests of the company. The existence of conflicts of interest can also arouse suspicions of corruption. It is therefore important to regulate how conflicts of interest are to be managed and avoided. If a conflict of interest cannot be avoided, it should be reported to the immediate manager.
- We never receive or pay "facilitation payments", that is, small amounts to expedite case handling.
- We ensure that all invoices are correct and contain all the information needed to be able to understand what the invoice is linked to.
- We never breach applicable laws on the giving or accepting of bribes.
- We adapt to our business partners' rules on gifts, corporate entertainment and the like if they are stricter than Peab's rules.

#### **We comply with competition laws**

We conduct business in compliance with the applicable competition laws in the markets in which we operate. This means, for example, that:

- We act to promote fair competition in tendering, quotation, procurement and purchasing of goods and services.
- We do not accept any form of illegal anti-competitive practices, such as price fixing, bid-rigging, no-bid agreements, cartel formation or the abuse of market dominance.
- We act correctly and do not exercise inappropriate influence or manipulation intended to distort competition.

#### **We fight financial crime**

We fight financial crime in the industry. This means, for example, that:

- We combat money laundering.
- We correctly account for all financial transactions.
- We oppose and actively work to prevent illicit work.

We agree that financial crime distorts competition and results in instability, unpredictability and fewer resources for our common society.

#### **We adhere to applicable sanctions**

We avoid direct or indirect contact with individuals or entities listed on sanction lists and refrain from engaging in business, whether directly or indirectly, with countries or territories subject to sanctions.

Our template sanction terms are located at [peab.se](http://peab.se) for suppliers.

We maintain transparency in matters concerning ownership structures and expect the same from our business partners.

Regular examination of the supply chain is an integral part of our daily operations, and we anticipate that any concerns or issues related to sanctions are promptly reported to us

### 4. HUMAN RIGHTS AND WORKING CONDITIONS

#### **Work Environment, Health, and Safety**

Work environment, health, and safety are of paramount importance to Peab, and we expect our suppliers to act responsibly and systematically, ensuring that their work is planned in a way that makes the workplace safe for everyone. Our approach is systematic and preventive, aimed at continuously improving the work environment and health for all.

All incidents and accidents must always be reported, investigated, and addressed to prevent and mitigate accidents and bad health. It is the right and duty of every employee to halt any work that poses a risk.

Everyone working for a supplier should receive training in a safe work environment. The supplier's employees should be aware of the health risks associated with their work. The supplier should provide relevant protective equipment and ensure that health and safety information is readily available at their workplaces, in a language understood by all employees.

Everyone working for the supplier, regardless of employment or contract form, should be covered by accident insurance. Peab's workplaces are alcohol- and drug-free. For safety reasons, individuals suspected of being under the influence of alcohol and/or drugs will be removed from the workplace.



**We stand for equality, diversity and equal opportunities**

It is self-evident that all people are equal. We work actively to increase diversity and inclusivity in all parts of the business. Discrimination, regardless of the basis, is not acceptable and must not occur in any part of the business.

We have zero tolerance for bullying, discriminatory jargon, derogatory jokes and offensive statements at work. Zero tolerance applies to all forms of victimisation, harassment, sexual harassment, bullying, discrimination and reprisals. We will actively prevent and stop zero tolerance from being breached in the business and show moral courage and act if we become aware that this has happened.

**We do not accept child labour**

All forms of violence, force or abuse against children are unacceptable. A person under the age of 18 is regarded as a child, in accordance with the first article of the UN Convention on the Rights of the Child. Work that is dangerous or harmful to the health, safety or social and mental development of children must not occur. Nor should work exist that prevents the child from going to school. Employees under the age of 18 must be particularly protected from dangerous work tasks that pose a risk to health and safety, such as night work. Specific regulations and requirements such as applicable national legislation, other regulations or applicable collective agreements impose on employees under the age of 18 regarding, for example, working hours, work tasks and other parts of the employment relationship must be unconditionally complied with in all parts of the business.

**We do not accept forced or bonded labour**

We do not accept human trafficking, forced labour or labour linked to any form of threat or punishment. Work must be conducted on a voluntary basis. Employees must be free to leave the worksite at the end of a work shift. Employee salary, or part of such salary, other benefits accruing to the employee, or documents such as ID cards and passports, must not be seized for the purpose of enforcing work. Employees must not be forced to deposit valuables, identity papers or similar with their employer.

**We uphold the right to freedom of association**

We recognise and respect the right of employees to enrol in trade unions and to bargain collectively, where this is compatible with current legislation and we do not accept restrictions on freedom of association or the right to collective bargaining. Employees must be able to exercise these rights without hindrance and without fear of punishment, threats or other reprisals. Discrimination against union elected officials and employees who are unionised is not accepted.





### **We uphold the right to reasonable employment conditions**

We safeguard reasonable terms of employment and respect and comply in all respects with obligations to employees arising from national laws (including EU legislation), other regulations, applicable collective agreements and ILO core conventions. Working hours and salary as well as other remuneration must comply with national laws, applicable agreements (including collective agreements) and what can otherwise be considered generally applicable to the industry in the country where the product is manufactured or the service is performed. Illegal labour may not be used.

### **We uphold the right to privacy**

We have processes and procedures in place to ensure that personal data is processed legally. Everyone has the right for their personal integrity to be respected.

## **5. ENVIRONMENT**

At Peab, we take responsibility for our environmental impact throughout our value chain and we expect our suppliers to work continuously to prevent environmental risks, to minimise negative impact on the environment and climate and to contribute to sustainable social development in general.

### **We work systematically with environmental issues**

Our environmental management must be systematic and integrated with operations.

- We identify and manage the environmental risks of the business operations.
- We ensure that we have a clear division of responsibilities for environmental issues and that our employees have relevant competence based on the impact of the tasks on the environment.
- We act with caution in decisions that may have a negative impact on the environment and make environmentally sound choices within the framework of the business operations.
- We have an environmental policy

### **We work for continuous improvement**

We work with continuous improvements to achieve better environmental performance.

- We work to reduce the negative environmental impact of our own operations and work to:
  - phase out environmentally and health-hazardous products
  - increase resource efficiency, for example linked to material use, waste disposal and biodiversity
  - achieve climate neutrality
- We ensure that our staff report deviations and environmental events.
- We encourage knowledge about, and the development and adoption of clean technology.
- We drive the development of green products and solutions, in collaboration with our suppliers.



## **6. COMPLIANCE**

### **We require compliance with the Code**

We follow the laws, rules and regulations that apply in the markets in which we operate. In the event that this Code imposes stricter requirements than the law, then this Code applies.

The principles of the Code, or the supplier's own corresponding Code of Conduct, must be continuously followed up as a natural part of the business. In this respect, the supplier's management and managers at all levels have a special responsibility to lead by example. An employee who is uncertain about the application of these principles in day-to-day operations must be able to turn to their manager and/or manager's manager for guidance.

Due diligence is an internationally established process for managing companies' risks and impacts on human rights and the environment. We will have processes in place to manage our actual and potential impact on human rights and the environment. As a result, we strongly recommend our suppliers to:

- Have clear board responsibility for business ethics and sustainability issues.
- Have clear managerial responsibility for business ethics and sustainability issues.
- Introduce guidelines on ethics/conduct/sustainability for the business.
- Annually train employees in ethics/conduct/sustainability.
- Integrate business ethics/sustainability into policies and management systems, (ii) identify and assess adverse effects of operations, (iii) prevent, cease or minimise actual or potential adverse effects, (iv) assess the effectiveness of measures, (v) inform about how impacts are managed internally and externally, and (vi) take action.<sup>2</sup>
- Proactively communicate to employees about the possibility of raising concerns if there is suspicion of things that violate the code or legislation, via a complaint mechanism and/or a whistleblowing system.

### **Reporting of irregularities**

If a supplier's employees suspect violations at Peab, in relation to the Code or in other circumstances, it is primarily recommended to report it to the nearest contact at Peab.

Reports can also be made anonymously via Peab's whistleblowing system, which can be found on several of our Group companies' websites and on [peab.se](http://peab.se) under "Contact". The report is handled confidentially by independent internal staff. It is available in local languages. Responses are given promptly, and always within seven days. The employee can also write questions directly to Peab's compliance unit on [compliance@peab.se](mailto:compliance@peab.se).

We demand transparency in our value chain. If the supplier has identified a violation within its organisation, or with a supplier who is a subcontractor to Peab, in relation to the requirements we make through the Code – it must be reported to Peab as above.

If the supplier does not adhere to the code, the business relationship with Peab may be terminated. If the supplier repeatedly or seriously violates the Code, or deliberately withholds important information from Peab, the business collaboration will be terminated in accordance with the termination criteria for the agreement.

### **Reprisal actions are not accepted**

Peab does not tolerate any form of punishment because employees or other people at our worksites complain of suspicion or actual actions that violate this code.

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<sup>2</sup>) OECD Due Diligence Guidance for Responsible Business Conduct





## 7. CONTROL AND PROVISION OF INFORMATION

Peab conducts its business in a complex environment, and we have to rely on the information we receive from suppliers in our value chain. The negative consequences in our value chain become easier to identify, and the risks thus easier to limit, when our suppliers make more data available regarding their negative consequences on human rights and the environment.

The provision of sustainability information is fundamental to creating change towards sustainable development through consideration of profitability, social justice and environmental considerations.

In addition to what applies under contract, Peab has the right, alone or through independent third parties, to carry out appropriate control and follow-up of its suppliers regarding compliance with the Code and their sustainability work in general. The supplier must, upon request, promptly and free of remuneration, give Peab access to the information we request, such as sustainability information. The supplier must also evaluate their value chain to ensure compliance with the corresponding principles as in this Code.

## 8. PEAB SUPPORTS SUPPLIERS

Peab understands that there are small suppliers, for example closely held companies, who are behind the code, but who see it as a significant challenge to implement the code's expectations and requirements. Peab will not impose requirements and adjustments beyond what is proportionate to the likelihood of negative consequences in the product or service delivered to us.

## 9. ADOPTION AND UPDATES

This code is established annually by the Board of Directors of Peab AB.

Förslöv, 01/02/2024

Jesper Göransson  
CEO and President

Revised and established on 01/02/2024  
First edition determined on 02/02/2023

Peab can provide advice and support to small and medium-sized companies, so that these companies have greater opportunities to live up to the requirements of the Code.

Contact Peab via  
[compliance@peab.se](mailto:compliance@peab.se)



## The Nordic Community Builder

Peab develops modern communities in which people want to live and work. We understand the local conditions, take corporate social responsibility and challenge old preconceptions with new solutions. This is what makes us the Nordic Community Builder.

Learn more about the Nordic Community Builder at [peab.se](https://peab.se)