

Code for Responsible Procurement

1. SWM's Mission

- **People First:** Provide a safe, inspiring work environment where employees are encouraged to contribute their best, believe their work is important, and want to cultivate a career.
- **Customer Intimacy:** Anticipate the needs of our customers and partner closely to build and deliver the most creative and differentiated solutions in our industries.
- **Performance, Quality & Value:** Use our technical expertise and commitment to operational excellence to ensure that our high-performance, exacting products offer the most reliability and value in the market.
- **Growth:** Strengthen world-wide market positions with a focus on sustainable growth through value-adding products and technologies.
- **Expertise & Innovation:** Leverage new and existing technologies and product-engineering capabilities and apply new research investments to rapidly innovate, expand our offerings and identify new opportunities.

We know that everything we accomplish rests on the skills, integrity, commitment, and dedication of our employees. We offer challenging, fair, and rewarding employment for our employees and set high expectations for performance. We seek to create an environment where people can make a difference.

2. Why is our Code for Responsible Procurement a MUST for all SWM stakeholders?

Sustainable business cannot operate in isolation, but rather through profitable, long-term relationships. We believe responsible business practices must be implemented throughout the supply chain, from customers to suppliers. To operate our business responsibly and ethically, we hold all employees accountable to the Code of Conduct. To ensure alignment with our internal practices and standards, we request and encourage a similar Code or principles to be utilized by our suppliers.

3. Scope

The SWM Code of Conduct applies to all SWM employees. The Code for Responsible Procurement applies to all SWM suppliers and contractors, and to all products and services purchased. We encourage and expect our suppliers to promote these principles within their own supply chain, through implementation of equivalent Codes.

4. SWM commitment

- a. **Be compliant:** We will behave ethically and operate in accordance with all applicable regulations. These regulations apply to operations (environment, product stewardship, transports, finance, customs and trade rules) and to people (safety, human rights, working conditions), and include customers, employees, suppliers, local communities and other stakeholders.
- b. **Act Responsibly:** Compliance limited to our direct scope of operation is not enough. We develop relationships to communicate and promote the principles of this Code to engage/train our suppliers in similar commitments.
- c. **Adopt Best Practices:** We expect partnerships with our customers and suppliers to provide knowledge and best practices that we can adopt, demonstrating our commitment to continuous improvement.

SWM Procurement Procedures: *Selection, qualification, evaluation and buying practices (contracts, conditions) must integrate these three aspects of commitment.*

5. SWM expectations

We expect our suppliers to produce, preserve and deliver products/services in conformity with agreed upon specifications and to provide as much relevant information as necessary to produce the expected result and/or performance rating related to the product/service. We further expect our suppliers to demonstrate their commitment to responsible business practices and to implement initiatives for sustainable development in the following areas:

- a. **Company Values:** We expect our suppliers to operate in compliance with applicable regulations. It is also our expectation that our suppliers will communicate openly, provide evidence of good business practices, and commit to continuous improvement, as much as appropriate according to recognized international standards.
- b. **Human Resources:** We expect our suppliers to comply with existing local and international rules for human rights, with particular focus on child and forced labor, with special attention to health and safety.
- c. **Business Ethics:** We expect our suppliers to operate ethically, which includes and is not limited to: accuracy of data and reports, transparency, protection of confidentiality and privacy, and avoidance of conflicts of interest. SWM applies strict rules for regulating gifts and entertainment. SWM employees transacting business with vendors on behalf of the company are not permitted to participate in sales incentive contests, games or promotions, which confer personal benefits to the employee. Gift acceptance and offer are strictly regulated and prohibited if it could be reasonably construed to influence our business relationship.
- d. **Sustainable Growth:** Our suppliers are expected to be reliable partners, managing risks and opportunities, and dialoguing with stakeholders to maintain effective communication. Suppliers are expected to anticipate and inform of any potential threat.
- e. **Environment:** SWM is committed to reducing the environmental footprint of our products and activities. We expect a similar commitment from all suppliers involved in our Supply Chain, regardless of the intensity of their impact on the planet.

6. Review and assessment

This Code is subjected to on-going review and assessment, including audits, as part of SWM's Global Sustainability Program.