



SAAB

Supplier Code of Conduct

Saab was founded in 1937 with a clear purpose – to keep people and societies safe by pushing technological boundaries. Guided by the core mission, Saab is committed to contributing to sustainability and promoting responsible business practices. Saab aspires to be a sustainability leader within the defence and security sector. Saab's suppliers and partners are crucial in achieving these goals.

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Promoting responsible business conduct

A fighter jet is shown in flight, positioned on the right side of the page. The background consists of a vast, textured sea of clouds illuminated by a warm, golden light from a low sun, creating a dramatic and atmospheric scene. The jet is angled towards the right, with its landing gear and various sensors visible.

Definitions and scope

Saab's suppliers are expected to share Saab's ambitions relating to responsible business conduct and to uphold the standards, principles and requirements set out in the Supplier Code of Conduct (hereinafter 'the Code') in the course of their relationship with Saab.

This Code outlines expectations on suppliers, ensuring that all suppliers align with Saab's values and standards. The Code is based on the UN Global Compact, the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises for Responsible Business Conduct and the ILO Core Conventions.

The term 'supplier' refers to an entity that provides products or services to Saab. Saab may also require other types of entities with which Saab cooperates to follow the Code. In these instances, the term 'supplier' should be understood as referring to a 'business partner'.

This Code is not intended to conflict with or modify the terms and conditions of any existing contracts. In the event of a conflict, suppliers must first adhere to applicable laws and regulations, then the contract terms, followed by this Code.



General requirements

Suppliers shall:

- Adhere to applicable laws and regulations and act in accordance with this Code.
- Adopt their own Code of Conduct, or other similar document, to guide their employees and operations.
- Communicate the requirements in the Code, or requirements equivalent to those in the Code, to their own suppliers, ensuring that the requirements set out herein are adhered to throughout the value chain.
- Conduct sustainability due diligence and risk assessments across their supply chain, appropriately tailored to their specific business context and exposure to sustainability risks.¹
- Upon request, provide accurate and timely information to Saab regarding their work to ensure compliance with the Code.
- Establish appropriate whistleblowing and grievance channels for employees to report any concerns or suspected misconduct, without any fear of retaliation.

Verification and corrective actions

Saab reserves the right to verify compliance with the Code through a combination of dialogue and internal and external assessment mechanisms, including but not limited to self-assessments and on-site audits. Assessments, including audits, can be conducted by Saab representatives or a professional third party contracted by Saab. Audits shall only be conducted upon reasonable notice and with consent from the supplier. Such consent shall not be unreasonably withheld by the supplier.

If the results of an assessment show that the supplier does not comply with the Code, the supplier shall take necessary corrective actions in a timely manner and in dialogue with Saab.

1. Authoritative guidance for sustainability due diligence is available in the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights.

Sustainability leadership

At the heart of a successful partnership lies the commitment to continuous improvement. In this spirit, in addition to the requirements set out in the Code, Saab encourages suppliers to:

- Set a sustainability strategy, or align with Saab's sustainability ambitions, goals and targets.
- Participate in industry initiatives and standards that promote sustainability.
- Collaborate with Saab on sustainability and innovation projects.
- Share best practices and contribute to the continuous improvement of the industry's sustainability performance.



Respect for people and human rights

Introduction

Saab strives to ensure transparency, accountability and continuous improvement in practices to safeguard human rights across operations and throughout the value chain. Suppliers are crucial to achieving these goals.

Health and safety

Suppliers shall:

- Prioritise the well-being of employees and ensure a safe and healthy work environment by identifying and managing health and safety risks within their operations. This includes documenting hazards, reporting close calls, accidents and illnesses, as well as conducting thorough investigations to address issues.
- Work in accordance with a health and safety management system appropriate to their operations. The system should be based on relevant national or international standards, such as ISO 45001 or equivalent.
- Ensure that managers and employees receive appropriate training on relevant health and safety risks, procedures and responsibilities.

Labour rights

Suppliers shall:

- Respect employees' right to join, or not join, trade unions, and to collectively bargain.
- Ensure that employees are treated fairly, regardless of their gender, gender identity, age, ethnicity, sexual orientation, disability or religion.
- Ensure equal remuneration for work of equal value, without discrimination.
- Prevent all forms of punishment or harassment, including physical, sexual, psychological and verbal abuse, of its employees.
- Guarantee fair compensation for employees, adhering to at least national legal minimum standards or agreed-upon collective agreements.
- Ensure that employees' working hours, overtime and leave shall, as a minimum, align with national legislation or established collective agreements.

Forced labour, human trafficking and child labour

Suppliers shall:

- Not tolerate any form of forced labour, modern slavery or participation in human trafficking in their value chain.
- Not participate in any activity that can be regarded as, or connected to, forced labour or modern slavery.²
- Uphold internationally recognised child labour standards.³

2. as defined in ILO Forced Labour Convention (No. 29) and ILO Abolition of Forced Labour Convention (No. 105).

3. set out in ILO Minimum Age Convention (No. 138) and ILO Worst Forms of Child Labour Convention (No. 182).

Responsible sourcing of raw materials

Introduction

The extraction and sourcing of raw materials can significantly impact the environment, people and local communities. To mitigate the risks connected thereto and to promote sustainable practices, Saab is committed to working closely with suppliers to ensure that raw materials used in products are sourced responsibly.

Raw materials

Suppliers shall:

- Exercise reasonable due diligence concerning their use of minerals and other raw materials.
- Inform Saab if any products or services supplied to Saab are subject to legislative due diligence or reporting requirements directly pertaining to the responsible sourcing of raw materials. This notification must include sufficient details regarding the source and chain of custody of the materials in question, as well as documentation to ensure compliance with the applicable regulatory frameworks.

Business integrity

Introduction

Saab believes that business shall be earned ethically, fairly and always in compliance with legal requirements. Saab is committed to upholding the highest degree of integrity when doing business, and believe this is crucial in order to build and maintain the trust of customers, suppliers and society.

Conflicts of interest

Suppliers shall:

- Avoid actual, potential or perceived conflicts of interest in their dealings with Saab, without setting aside legitimate business interests. This shall apply to all employees and other supplier representatives.
- Promptly report to Saab if they become aware of any actual or potential conflicts of interest. This includes any situation where a Saab employee directly or indirectly has a private, financial or other interest of any kind in the supplier.

Business integrity

Anti-corruption

Suppliers shall:

- Adhere to all applicable anti-bribery and corruption laws and regulations, and shall not engage in, endorse or tolerate any form of corruption or bribery, directly or indirectly.
- Never offer, promise, make, accept or agree to accept any illegal or improper payments of money or other benefits to or from any third party, private or public, with the purpose of obtaining or retaining business or any other form of preferential treatment.
- Exercise caution in relation to gifts and business courtesies. Applicable laws and regulations shall always be adhered to when accepting or offering a gift or other business courtesy, and any gift or business courtesy shall be consistent with reasonable marketplace customs and practices.
- Adhere to all applicable laws and regulations concerning anti-money laundering and the financing of terrorism.
- Create and implement a compliance programme tailored to their specific business, size and corruption risk exposure. Such program shall ensure, at least, that reasonable due diligence is undertaken in order to detect and prevent corruption in their business relations.

Export control and sanctions

Suppliers shall:

- Adhere to the applicable laws and regulations governing the export, import and retransfer of products, components, software, as well as technical data and assistance.
- Provide truthful and accurate information regarding any restrictions related to their products and services.
- Comply with all sanctions restrictions applicable directly or indirectly to their business with Saab.
- Not provide Saab with any products or services that are, directly or indirectly, subject to sanctions.

Free and fair competition

Suppliers shall:

- Promote free and fair competition and comply with applicable competition laws and regulations.
- Never make agreements with competitors to fix prices, rig bids, allocate customers or markets or exchange any pricing information.

Taxes

Suppliers shall:

- Pay taxes in accordance with all applicable tax laws and regulations in the jurisdictions where they operate, and be open and transparent with relevant authorities in the countries where they are liable for tax.
- Not engage in, or facilitate, deliberate tax evasion, including the use of illegal tax shelters, fraudulent schemes or other practices designed to avoid paying taxes.

Insider trading

Suppliers shall:

- Not use any material or non-publicly disclosed information obtained in the course of their business relationship with Saab as the basis for trading or for enabling others to trade in financial instruments.

Climate and environment

Introduction

Saab recognises the significant impact of climate change and environmental degradation on our planet and societies. Saab is committed to reducing the climate impact throughout the value chain and actively working to decrease the use of substances of concern.

Environmental management and climate impact

Suppliers shall:

- Pursue efforts to reduce their environmental and climate impact. This, as a minimum, entails developing appropriate policies and systematically working on improvements relating to environmental management. Suppliers are strongly encouraged to have an environmental management system in place that adheres to appropriate international standards, such as ISO14001.
- Set appropriate near- and long-term science-based targets, or in other ways ensure that greenhouse gas emission targets are in line with the Paris Agreement. This includes continuously managing mitigation actions to ensure that they align with commitments.

Substances of concern

Suppliers shall:

- Identify and declare substances of concern in a structured way in accordance with standards and regulations, and work proactively to eliminate these substances from products and services independently, or upon request from Saab.
- Ensure that their supply chain remains compliant with evolving applicable laws and regulations by adopting appropriate strategies, including the substitution of substances of concern.

Circular economy

Suppliers shall:

- Pursue efforts to reduce resource consumption, including minimising water consumption and waste.
- Continuously work towards optimising and exploring circular business models for the products and services provided to Saab, in line with internationally recognised circular principles.

Biodiversity

Suppliers shall:

- Avoid contributing to, or benefitting from, the unlawful conversion of natural ecosystems, including adverse impacts on biodiversity.
- Conduct assessments of operational sites' potential impacts on protected areas as appropriate and implement necessary mitigation measures.

Protection of assets and information

Introduction

Saab expects all suppliers to safeguard assets, operations security, information and personal data from unauthorised use or unauthorised disclosure, as this can severely affect Saab, Saab's customers and partners.

Information protection

Suppliers shall:

- Ensure that Saab's sensitive information, personal data and classified information is appropriately handled and protected in accordance with applicable laws, regulations and contractual obligations.
- Never use Saab's sensitive information, personal data or classified information for any other purpose than for what it was provided.

Intellectual property

Suppliers shall:

- Handle and protect intellectual property in line with applicable laws, regulations and contractual obligations.
- Respect valid intellectual property rights belonging to Saab and/or third parties.

Product safety, cyber security and responsible use of technology

Introduction

Suppliers are expected to share Saab's commitment to delivering products of the highest standard and to be conscious of the ethical risks involved when deploying new technology, such as AI.

Product safety

Suppliers shall:

- Comply with all applicable laws and regulations on product safety and quality, and supply products or services according to the agreed safety and quality standards.

Cyber security

Suppliers shall:

- Adhere to applicable cyber security regulations and standards, and ensure that products delivered to Saab satisfy such cyber-related requirements.

Artificial intelligence

Suppliers shall:

- Safeguard that artificial intelligence, autonomous and intelligent systems and similar technologies developed for or with Saab are developed in accordance with applicable laws and regulations.
- Ensure that ethical risks relevant to artificial intelligence, autonomous and intelligent systems, are identified and managed in a transparent and structured way.



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Reporting of concerns

Saab encourages anyone who becomes aware of violations or concerns related to the expectations set out in this Code to alert Saab. This can be done through Saab's Whistleblowing Hotline:

saab.com/sustainability/whistleblowing

