

Code of Conduct

For Eternali, it is fundamental to our business to have a good reputation as a responsible and trustworthy company and employer. It assures high business ethics, care for our employees and concern for the environment. Eternali's Code of Conduct sets the frame of our core values.

Our core values - Quality, Responsibility and Respect - manifest what is important to Eternali as an employer as well as a partner. We want to ensure that Eternali's operations are characterised by responsible behaviour towards employees, shareholders, customers, suppliers, stakeholders, and the surrounding community. The Code of Conduct applies to both internal and external stakeholders of the Eternali Group and compliance with the standards in this code of conduct is crucial when choosing who we cooperate with.

Stockholm, 2022-10-11

Andreas Forssell, President and Group CEO

Introduction

Eternali is committed to conducting its business in compliance with applicable laws and the highest ethical standards. For us, sustainability is an integral part of our business, and we are committed to work in alignment with the UN Sustainable Development Goals. Our vision is to be a trusted world-class forestry company, respected by our employees, communities, shareholders, partners, suppliers and host governments for the strong economic, environmental and social performance and contribution to the sustainable development.

The Code of Conduct is based on internationally agreed upon standards, primarily the Ten Principles of the UN Global Compact, the general concepts expressed in the International Labour Organization (ILO) conventions, and the UN Declaration of Human Rights.

The principles set out in this Code of Conduct are minimum requirements. Eternali and its stakeholders must always comply with applicable international and national laws, regulations and conventions. If applicable international and national laws, regulations and conventions are stricter than this Code of Conduct, or vice versa, the stricter requirement shall always prevail.

The Code of Conduct is applicable to both internal and external stakeholders. Eternali expects all its employees to comply and act in accordance with this Code of Conduct. All agents, contractors, consultants and suppliers, i.e. Business Partners, are encouraged to comply with this Code of Conduct in its relations with Eternali as a recommendation for doing business with Eternali.

This Code of Conduct is approved by the Board of Directors of Eternali and is a statement of the principles and expectations that guide ethical business conducted at and with Eternali. This Code of Conduct is to be considered together with other applicable policies. The Code of Conduct is subject to annual review by the CEO to consider if it remains appropriate and consistent with the applicable standards and practices, and to recommend any changes it considers desirable to the Board for approval.

Eternali strives towards continual improvement and to establish, implement and maintain recognized management systems and standards related to the areas described in the Code of Conduct. Risk assessment, implemented policies, processes and routines, clearly communicated roles and responsibilities, relevant training and instructions, establishment, and performance evaluation of measurable goals, along with functioning control systems, serve as the foundation for a successful implementation of the Code of Conduct. We encourage our stakeholders to follow the same practices.

Environment

Eternali's goal is to manage the environmental impact of our operations in accordance with international best practice and we expect the same from our stakeholders. Activities to avoid, minimize or mitigate negative environmental impacts are promoted.

Protecting the environment and carry out work in an environmentally responsible and sustainable manner is of utmost importance. Compliance with all applicable environmental legislation and relevant guidelines should be kept. Collaboration to identify opportunities for improvement while paying particular attention to reducing energy consumption, greenhouse gas emissions, water consumption, air emissions and effluents and waste is highly encouraged.

Renewable raw material and energy

Eternali's business is based on wood fibre, a natural, renewable material that is neutral in terms of the climate. The aim is to increase production of renewable energy in the form of hydro power, wind power and bioenergy and Eternali must work to ensure efficient use and production of raw materials and energy.

Responsible production

In its business Eternali must apply the precautionary principle, so as to prevent, hinder or combat damage or detriment to human health and the environment. In the event of process disturbances, priority must be given to environmental considerations rather than production. The environmental impact of current as well as discontinued operations must be acceptable to individuals and the environment.

Sustainable forestry

Eternali's forestry must be run with the aim of achieving high-volume and sustainable production of forest raw material. The forests must be managed responsibly in a way that ensures the long-term survival of native plants and animals in the forest landscape and the protection of biodiversity.

Environmental considerations in purchasing

Eternali must require that suppliers of products and services, logistic services, wood, and electricity take energy and environmental aspects into account in their business activities. All wood must be traceable back to its origin.

Social

Eternali is committed to making its workplace safe, secure and healthy for its employees and others. Eternali complies with all applicable laws and regulations relating to safety and health and the environment in the workplace.

Health and Safety

All practical and reasonable measures to avoid and eliminate fatalities, work-related injuries and health impairment of their employees must be conducted. Compliance with all applicable legislation and relevant guidelines must be kept. A safe and healthy working environment shall be ensured including physical and psychosocial health. Health and safety incidents and accidents should be documented and managed. Appropriate health and safety information and training should be provided to employees. Business Partners are strongly encouraged to collaborate with Eternali to identify opportunities to improve safety and minimize health impacts.

Labour and Human Rights

Treating employees fairly, with dignity and respect, and with respect for human rights and avoid causing, contributing to or being linked to other parties' involvement in abuse of or adverse impact on labour and universally recognized human rights is of great importance to Eternali.

Child labour

Use, or support any use of, child labour or other child exploitation is prohibited. All operations must comply with relevant legal requirements or ILO Conventions, whichever is stricter. Young workers should not perform work that is not in accordance with ILO Conventions.

Forced labour

To use, be complicit in, or benefit from any forced or involuntary labour is prohibited. No one shall be subject to working under the menace of any penalty or forced to deposit money. Employees' original documents of identification, such as passports, should not be withheld at the start of or during employment.

Discrimination and Harassment

Discrimination in hiring and employment practices is not tolerated. Discrimination includes but is not limited to ethnicity, national or social origin, religion, age, disability, gender, marital status, sexual orientation or identity, union membership or political opinion. Physical punishment, unlawful detention, or physical, sexual, verbal harassment or abuse is not tolerated.

Diversity and Inclusion

Diversity and inclusion should be encouraged within all operations. A non-discriminatory approach and equal opportunities should always be promoted. All employees should be provided with equality, fairness and respect.

Pay, working hours and other terms of employment

Minimum wage requirements, statutory or contractual, must be complied with. Wages must be paid regularly. Eternali's employees must have the right to paid overtime, annual leave, sick leave, and parental leave, in line with applicable legislation and agreements. Eternali's employees must have a written, comprehensible, and legally binding contract of employment. Eternali must comply with applicable legislation, agreements, and industry standards regarding working hours. Eternali must respect employees' privacy and handle personal data in confidence and in line with applicable legislation.

Freedom of association and Collective bargaining

The right of employees to freely associate, organize and bargain collectively in accordance with the laws of the countries in which they are employed must be recognized and respected. Employees must be allowed to appoint independent work representatives and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal. Reversely, those employees who choose not to participate in workers' associations must be respected for their choice.

Right to Property

Any negative social, environmental or economic impacts from land acquisition, involuntary resettlement or restrictions on land use must be avoided. Operators must be the legal and rightful owner/user of the property on which they operate, according to local laws. Respecting the rights, interests, concerns, traditional land uses, and cultural activities of indigenous peoples is of high importance.

Business Ethics**Anti-corruption**

Eternali does not tolerate any form of corruption or fraud. No person shall directly or indirectly assign, offer, promise, pay, transfer or accept bribes, facilitating payments or participate in commercial bribery. All business must be conducted ethically and acting with integrity in compliance with all applicable laws and regulations, including but not limited to those relating to corruption, bribery and money laundering.

Personal data compliance

Principles of personal data protection must be followed and use personal data only when lawful and necessary to fulfill legitimate business purposes.

Competition

Agreements must always be negotiated, regardless of the contract form, in accordance with fair competition principles and observe highest level of diligence. No contracts or agreements can be concluded, formal or informal, which has as its object or effect the prevention or restriction of competition and/or which breaches applicable laws relating to competition or fair trade. Eternali's employees must manage contact with competitors with care and such contact must always be organised in a way that ensures compliance with competition regulations.

Conflicts of interest

Eternali's employees must avoid contexts in which their own interests or those of relatives or friends may risk conflicting with what is best for Eternali. Private interests and external activities must not affect, or be considered to affect, the judgement or actions of employees when carrying out their work for Eternali.

Trust and Transparency

Trust and transparency related to Eternali are ensured. Attempts to break the law, falsify documents, deceive, commit fraud or corruption are not accepted.

Insider trading

Any person who has access to confidential information are not permitted to use or share that information for stock trading purposes.

Tax and money laundering

In countries in which Eternali operates, applicable law and regulations regarding tax and anti-money laundering measures must be complied with. Eternali's employees must not accept, support, or facilitate breach of regulations regarding taxation and money laundering.

Compliance

It is the responsibility of every employee to ensure that operations are conducted in line with what is defined in the Code of Conduct.

Employees must promptly report breaches of the Code of Conduct to their immediate manager or HR. Breaches may also be reported to the reporting function.

Employee violation of the Code of Conduct will not be tolerated and may lead to internal disciplinary action, dismissal, or even criminal prosecution.

We welcome any queries. Questions regarding the content and application of this Code of Conduct can be forwarded to our team in any convenient form, including by phone or via e-mail. Our contact details can be found at, eternali.se.