January 5, 2026

GENERAL TERMS AND CONDITIONS ON SUSTAINABILITY

1. Definitions

In these terms and conditions:

Customer refers to Suomen Osuuskauppojen Keskuskunta (SOK). When the Agreement concerns Services or Products to be delivered to a member company belonging to the S Group in accordance with the Agreement, Customer refers to the member company in question.

Service refers to the service that is the subject of the Agreement;

Agreement refers to the agreement made between the parties for the delivery of a Product or Service;

Supplier means the company that has committed to delivering the Product or Service under the Agreement; and

Product means the goods and related services, product documentation, software, software-related documentation, and documents required for implementation and use that are the subject of the Agreement.

2. General requirements

The Supplier is responsible for the performance of its subcontractors as if it were its own. As agreed in the Agreement (or its appendix), the Supplier shall oblige its subcontractors to comply with the terms and conditions of the Agreement. The Supplier is therefore obliged, among other things, to ensure that its subcontractors also comply with these sustainability requirements in their own operations and are responsible for the compliance of their further subcontractors' compliance with these requirements. The Supplier is obliged to regularly monitor the activities of its subcontractors.

3. Product information and the Supplier's due diligence

The Supplier shall comply with the duty of care in all its activities, according to which the Supplier shall identify, prevent, and mitigate the human right and environmental impacts of its activities in its own operations and supply chain, and promote the realization of human rights and environmental protection.

The Supplier shall provide the Customer with all information and evidence that is necessary to fulfil the requirements of the applicable legislation and authority guidelines as well as the requirements of the Agreement. Depending on the case, such information may include, for example: Product markings, the classification in accordance with the EU Combined Nomenclature (hereinafter CN), certificates, the country of origin of the Product and its raw materials, declaration of conformity and declaration of performance, compliance information, emission factors of the Products, information related to the assessment and reduction of risks (e.g. environmental and human rights risks) and evidence and information of having exercised due diligence. Unless otherwise agreed, the information and evidence shall be submitted in compliance with the technical practices and guidelines determined by the Customer. The Supplier shall allow the Customer, an independent party or an authority to carry out the inspections and investigations required by the applicable legislation and authority orders and provide the Customer and/or authority with all necessary assistance to ensure that the Products comply with the requirements.

Unless otherwise agreed, the Supplier is responsible for all environmental registrations and registrations of origin as well as other corresponding registration and notification procedures with the authorities and other relevant parties required for the Products. The Supplier is responsible for the correctness of the product information, including the origin and the classification in accordance with the EU's Combined Nomenclature. For the sake of clarity, the CN guides the legislative requirements directed at the Customer.

The Supplier shall exercise due diligence before placing the Products on the market or exporting them so that it can be verified that the products in question are in accordance with the applicable legislation at any given time. The Supplier has a due diligence system under the applicable legislation, in accordance with which the Supplier ensures that the Products are in compliance with the requirements. The Supplier shall describe its due diligence system and provide the Customer with the essential information of it upon request. In the event the applicable legislation requires giving a due diligence statement, the Supplier shall not place the Products on the market or export them before submitting the due diligence statement.

In addition to the authority, the Supplier shall also immediately inform the Customer if it observes justified concerns as set out in the applicable legislation that imply, for example, that there is a risk that a Product is not in accordance with the applicable legislation and authority guidelines.

The Supplier undertakes to provide the Customer without undue delay with all information required by the legislation and authority guidelines applicable to the Product and to assist the Customer if a competent authority submits a request to the Customer to receive the aforementioned information.

The origin of the Product may only be marked as Israel if the Product has been manufactured in the territory of the State of Israel as defined by the UN in 1948. If the Product has been manufactured in the so-called occupied Palestinian territories, the Supplier shall mark the origin of the Product as "manufactured in the occupied Palestinian territories."

4. General terms of sustainability

4.1 Due diligence regarding human rights and the environment

The Supplier shall exercise due diligence in all its operations and strives to identify, prevent and mitigate the human rights and environmental impacts of its operations and its supply chain and to promote the realisation of human rights and protection of the environment.

Upon request, the Supplier shall demonstrate how it complies with the requirements of the Agreement (e.g. the due diligence process concerning environmental and human rights matters) in its operations and supply chains, including risk assessment, risk reduction and corrective measures, among other things. The Supplier undertakes to allow that the Customer's representative or a person authorised by it, has access to the production facilities and relevant documentation to assess conformity with the requirements.

The Supplier shall put the requirements of the Agreement into practice with its suppliers and contractual partners that produce raw materials or components for the Products and that participate in the production of the Services as subcontractors or other cooperation partners of the Supplier, and monitor their implementation in the supply chains. In supply chains where the Supplier does not have a direct business link to all stages of the supply chain and where human rights risks have been identified, the Customer expects the Supplier to strive for continuous improvement and to increase its possibilities to influence in order to minimise the identified risks.

The Supplier shall inform the Customer if concerns or deviations related to the environment or social responsibility arise in its due diligence process. The Supplier shall investigate and remedy any such deviations and report the revealed deficiencies and corrective measures to the Customer.

4.2 Social responsibility and human rights

In its operations and in the procurement of products and services the S Group is committed to social responsibility and to respect all internationally recognised human rights. In its human rights principles, the S Group is committed in accordance with the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines to diligently identify, prevent, minimise and address human rights risks, as well as to a transparent mode of operation, and requires the same from its partners.

In its operations and supply chains the Supplier undertakes to respect all internationally recognised human rights, the International Labour Organisation ILO's fundamental principles and rights at work, the principles of the UN Declaration of Human Rights and the conventions on the rights of children and women, and the laws and collective agreements of the target country.

In addition, the S Group is committed to the international social and environmental responsibility system amfori BSCI's (Business Social Compliance Initiative) Code of Conduct and to promote its principles in its operations and in all its procurement. The Supplier undertakes to get acquainted with amfori BSCI's Code of Conduct as in force from time to time and the content and requirements of its appendices which are available at https://s-ryhma.fi/yrityksille/epsu/etusivu. These documents form an integral part of the Agreement.

The Supplier undertakes to comply with the amfori BSCI's Code of Conduct and its appendices as in force from time to time. In its operations and supply chain the Supplier undertakes to comply with and to promote, among other things, the following principles based on the principles of BSCI:

- The Supplier commits to adopt and publicly communicate a written human rights policy statement, in line with the Supplier's business operations and size of operations. The human rights policy statement shall be approved by the senior management.
- The workers have the right to freedom of association and collective bargaining.
- The Supplier is expected to take or promote specific steps, such as trainings, to ensure that workers are aware of their rights and responsibilities, with special attention to vulnerable persons, to involve and protect workers.
- Workers shall be treated equally without discrimination, harassment or violence. The wages and working conditions of foreign workers in Finland shall not be worse than the general conditions prevailing in the Finnish labour market.
- Workers shall be guaranteed the right to fair remuneration. Workers shall be paid salary of an amount at least at the level required by law and overtime work shall be compensated with overtime compensation, in minimum in accordance with national legislation.
- Decent working hours shall be guaranteed for workers by applying the national legislation, industry benchmark standards or collective agreements in accordance with the international framework set out by the ILO, and the Supplier shall promote working hour practices that enable a healthy work-life balance for workers.
- The workers shall be offered healthy and safe working conditions. Vulnerable persons, such as young workers, new and expecting mothers and persons with disabilities, need special protection.
- The Supplier commits to not employ children, directly or indirectly. The minimum working age cannot be lower than required by national legislation and the provisions of ILO Minimum Age Convention (ILO 138).

- The Supplier commits to ensure that young persons do not work at night and that they are protected against conditions of work which are prejudicial to their health, safety, and development.
- The Supplier commits to ensure that work is performed on the basis of a recognised and documented employment relationship, established in compliance with relevant national legislations, custom or practice, or international labour standards, whichever provides greater protection for the worker. Before entering employment, workers shall be provided with understandable information in their own language and it shall be ensured that they are aware about their rights, responsibilities, and employment conditions, including working hours, remuneration and terms of payment in their own language.
- No slavery, forced labour or human trafficking. The employment relationship shall be voluntary, workers cannot be required to provide collateral, a payment for employment agency services or any other security in exchange for the employment relationship. Workers have the right to change employer. Workers shall have the liberty to leave the workplace at the end of their work shift. In particular migrant workers shall be guaranteed freedom of movement and the possibility to a safe return.
- The Supplier commits to implement a process- and risk-based environmental due diligence management system in their business practices, adjusted to the business model of the company.
- The Supplier commits to comply with the processes of ethical business behaviour and the related principles.

4.3 Compliance with social responsibility requirements

The Supplier shall have procedures in accordance with UN Guiding Principles on Business and Human Rights (UNGP) to identify, reduce and remedy human rights risks. Such procedures shall include processes to identify, minimise, prevent and remedy detrimental human rights impacts, both in the company's own operations and in the supply chain of the Products and Services, including potential subcontractors and procurement of raw material. The Supplier shall have a confidential channel in accordance with the UNGP to which workers can anonymously report labour and human rights violations, abuses and corruption.

The Supplier can use the S Group's whistleblowing channel (https://report.whistleb.com/fi/sgroup) for reporting concerns related to the supply chain. Workers working in supply chains can also report violations of labour and human rights. The Supplier shall inform workers about the anonymous reporting channel that is used by the Customer or managed by a third party (e.g. amfori's Speak for Change channel, the S Group's whistleblowing channel).

4.4 Auditing the social responsibility

The Supplier must have means at its disposal to ensure that social responsibility is implemented in its own and its subcontractors' operations (e.g., third-party audits or similar measures). Upon request, the Supplier must be able to demonstrate that the principles and requirements of social responsibility have been complied with in the Supplier's own operations and supply chain. The Customer has the right to commission a third-party audit or contact the Supplier's and its subcontractors' employees without prior notice in order to obtain information on whether the supplier complies with the social responsibility requirements set for it.

For a Supplier whose production or whose subcontractor's production is located in a risk country, or who import or market Products manufactured in risk countries, the Customer requires that the production facility located in a risk country has a valid third-party audit carried out under the amfori BSCI or an equivalent social responsibility audit system accepted by the Customer. Otherwise, BSCI or an equivalent

audit shall be arranged immediately upon the commencement of the cooperation. The Supplier is responsible for all costs related to the audit. Upon request, the Supplier shall provide the Customer with a copy of the certificate or the audit report.

The social responsibility audits carried out by third parties approved by the Customer are:

- Amfori BSCI (Business Social Compliance Initiative)
- SA8000
- SMETA (Sedex Members Ethical Trading Audit), 4-pillar (2-pillar is accepted as the first audit)
- FLA (Fair Labor Association)
- FWF (Fair Wear Foundation)
- ICTI (International Council of Toy Industries)
- WRAP (Worldwide Responsible Accredited Production)
- RBA (Responsible Business Alliance)
- SIZA (Sustainability Initiative of South Africa)
- GLOBALG.A.P GRASP

Audits shall be carried out by third parties, and they shall be either unannounced or semi-announced. The current list of risk countries is available at: https://s-ryhma.fi/yrityksille/epsu/etusivu (source: Amfori's Risk Compass tool).

4.5 Environment and climate

In its operations the S Group promotes the principles of UN's sustainable development and the S Group is committed in its own operations and in its supply chain to mitigate the effects on climate and biodiversity. The S Group's central goal is to mitigate climate change by observing the reduction pathway of 1.5°C degrees defined in the Paris Agreement and in the Science Based Targets initiative. The Customer requires also the Supplier to take the aforementioned principles into account in its own operations.

The S Group is committed to the international environmental and social responsibility system amfori BEPI's (Business Environment Performance Initiative) Code of Conduct and to promote its principles in its operations and in all its procurement. The Supplier undertakes to get acquainted with amfori BEPI's Code of Conduct as in force from time to time and the content and requirements of its appendices which are available at https://s-ryhma.fi/yrityksille/epsu/etusivu.These documents form an integral part of the Agreement.

The Supplier undertakes to comply with the amfori BEPI's Code of Conduct and its appendices as in force from time to time. The Supplier undertakes to comply with and promote the following operating models and practices described in the BEPI principles in its own operations and in its supply chain and to implement risk and impact assessment and reduction in accordance with the due diligence obligation in the following fields:

- Energy and climate
- Emissions into air
- Water and sewage
- Waste
- Biodiversity
- Chemicals
- Other material environmental impacts

The Supplier shall have procedures in accordance with OECD Guidelines and UN Guiding Principles on Business and Human Rights (UNGP) to identify, reduce and remedy environmental risks. Such procedures shall include processes to identify, minimise, prevent and remedy detrimental environmental impacts, both in the company's own operations and in the supply chain of the Products and Services, including potential subcontractors and procurement of raw material.

The Supplier shall be familiar with the relevant environmental legislation applicable to its operations, act in accordance with it and be able to present evidence of conformity as required by such legislation. The Supplier shall have an environmental management system that includes environmental impact assessment, the model for continuous improvement and describes the procedures for the administration and management of material environmental matters with respect to waste, chemicals, emissions and sewage, among other things. Accounting for the nature of the Supplier's operations, the environmental management system shall comply with the requirements of ISO 14001 or the EU Eco-Management and Audit Scheme (EMAS).

The Supplier is expected to measure the greenhouse gas emissions of its operations. A Supplier that supplies Products or Services for more than EUR 10 million to companies in the S Group shall commit to initiating its own science-based target setting (e.g. Science Based Targets, SBTi). This means that the Supplier submits its commitment letter to set science-based climate targets. Supplier commits to provide the Customer with the necessary emission factors concerning the Supplier's Products and Services for the Customer's emission calculation. The Customer also encourages its other suppliers to set greenhouse gas emission reduction targets, e.g. in accordance with the Science Based Targets Initiative method.

The Supplier is expected to pay special attention to the production and acquisition of raw materials and products causing deforestation and to prevent the adverse impact related to these.

The Supplier is encouraged to give priority to the use of renewable materials, raw materials and energy sources, as well as to utilise circular economy operating models in which recyclability and reusability are carried out as well as possible.

Unnecessary packaging is avoided when packaging products. The Supplier is recommended to use recyclable packages that are labelled with appropriate markings to facilitate recycling. The use of PVC plastic is not accepted in packaging. The use of oxo-degradable plastic in Products or in their packaging is not accepted. It is forbidden to use bleaching methods based on elemental chlorine for the bleaching of materials used for packaging.

At the Customer's request, the Supplier shall provide the Customer with a copy of the certificate or other written statement of compliance with the principles of environmental responsibility. The Customer shall have the right to conduct an audit or inspection visit to verify aspects of environmental responsibility.