

CORPORATE RESPONSIBILITY REQUIREMENTS FOR SUPPLIERS

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1. CORPORATE RESPONSIBILITY REQUIREMENTS FOR SUPPLIERS -MEANING OF GUIDELINES

Newsec Property Asset Management Finland Oy and Newsec Advisory Finland Oy (“Newsec”) have created this instructions document “Corporate Responsibility Requirements for suppliers” (hereinafter Corporate Responsibility Requirements) to ensure the highest standards when making agreements on behalf of our clients and ordering services for our clients and property owners. These requirements also apply to procurements made by Newsec.

This document contains the minimum requirements set for our service providers and suppliers (hereinafter “service provider”).



2. INTRODUCTION

Newsec is committed to responsible and sustainable business activities. This means that Newsec takes responsibility for the impact its activities have on people, communities, economy and environment.

Newsec's Corporate Responsibility Requirements are based on **Newsec's Sustainability Policy** and **Newsec's Code of Conduct**. In addition, the Corporate Responsibility Requirements are based on the UN Declaration of Human Rights and the relevant national and international laws and directives on work, environment and corruption.

Newsec defines its three areas of sustainability in the following way:

2.1 Social responsibility

Newsec bases its activities on the principle of equality and on equal treatment of everyone. Respecting, understanding and taking others into account are characteristic features of Newsec's work environment. The starting point of all of Newsec's activities, including orders, is "zero accidents at work". Throughout our business activities, we take into account the impact on people's health, rights and well-being, as well as on the community and workplace. The principles mentioned above are adhered to when considering the impacts.

2.2 Environmental responsibility

The sustainable maintenance and development of our clients' properties has the greatest impact in our activities. Newsec's activities take into account the scarcity of natural resources and our impact on the environment. In our activities, we aim to restrict the wasteful use of materials and natural resources as

well as emissions created directly or indirectly. We act in accordance with the relevant environmental laws, and in our everyday activities we strive to minimize our environmental impact. We constantly develop our environmental work using measurable goals and key figures.

2.3 Ethical and value-based business

We comply with the laws and regulations in our activities. The basis of our activities lies in the core values of our company. Together with our employees, we fight against corruption, bribery and the black economy.

We encourage to activities that are conversational, transparent and responsible, and we expect the same from the service providers. We treat our partners equally and our service networks are transparent.

Confidentiality of information and data protection are extremely important to us. Everyone in Newsec has the possibility to bring up grievances and make suggestions for improvement, regardless of their title or position in the company.

3. COMPLYING WITH NEWSEC CORPORATE RESPONSIBILITY REQUIREMENTS

Newsec's partners are required to comply with these Corporate Responsibility Requirements. Newsec has the right to inspect and audit the activities of the service provider to the extent necessary to ensure that the service provider is in compliance with these Corporate Responsibility Requirements. The service provider/supplier is responsible for ensuring that the activities of its subcontractors and its entire production chain are in line with the Corporate Responsibility Requirements.

Newsec has the right to update these Corporate Responsibility Requirements unilaterally by informing of the update to its service providers. The changes in the requirements are valid as soon as the updated version of the Corporate Responsibility Requirements has been delivered to the service provider. The service provider will commit to inform without reasonable delay to Newsec if their operations are not in accordance with the updates of the Corporate Responsibility Requirements or if they consider that the updated Corporate Responsibility Requirements are against their requirements and/or against legal requirements and standards.



4. REQUIREMENTS FOR SERVICE PROVIDERS

A minimum requirement is that service providers comply with any existing international and national laws and directives in the area of operation. Operators providing services or products to Newsec must carry out their business operations in line with the following basic principles:

4.1 Workforce

The service provider ensures that no child or slave labour is used at any point in the production chain. All workers must have legal permits for working in Finland.

4.2 Pay and working conditions

The service provider must comply with local legislation and collective agreements related to minimum wage, working hours and overtime pay. If there is no such local legislation, the relevant ILO conventions are followed. Wages must always be paid directly to the employee at the agreed time.

4.3 Health and safety

The service provider must comply with all applicable international and national laws and directives related to occupational health and safety. All employees must be informed of any potential safety or health risks involved in their work. Employees must be provided with health care services and must be covered by employee insurances relevant for the activities performed. Appropriate work and protective equipment must be provided for the employees. Written safety instructions must be made available to all employees. Service providers and suppliers must record all accidents, incidents and hazards and take measures to proactively minimize any risks. Deliveries

to Newsec or to Newsec's clients must be carried out in a safe manner and in compliance with Finnish legislation.

4.4 Equality and diversity

The service provider must promote gender equality and diversity in their own organization, boards and client relationships. The service provider must ensure that there is no discrimination, harassment, violence or threat of these on the grounds of ethnic origin, gender, religion, social background, disability, political views or sexual orientation.

4.5 Freedom of association

The service provider must respect their employees' right to join a trade union and negotiate their terms of employment collectively. The service provider must actively promote their employees' right to use the help of trade union representatives (e.g. shop steward) with matters related to their employment contracts.

4.6 Bribery

Newsec has a zero-tolerance policy on all forms of bribery and illicit means of influence. We expect that our service providers share Newsec's positive attitude towards responsible business operations and require their own organization, employees, subcontractors and suppliers to implement similar zero-tolerance policies. Giving or accepting gifts in relation to business agreements is explicitly forbidden. Any conduct or actions that may create a sense of obligation or gratitude must be avoided.

Moreover, any inappropriate actions that may be used to influence decision-makers are unacceptable. Newsec's gift policy includes guidelines for giving and accepting gifts in more detail. The service provider must adhere to these guidelines.

4.7 Environment

The service providers must take active measures for the environment with the aim to reduce their negative environmental impact. Newsec's service providers must be aware of the environmental impact of their own operations (monitoring and measuring the impact).

The service providers' environmental work should include at least the following:

- Setting relevant environmental goals and reporting development in activities in relations to set goals.
- Climate emissions, such as the consumption of heating and electrical energy and emissions from transport and other fuels.
- Use of heavy metals and chemicals in consumer goods, production and final products must be restricted and they should be replaced with materials with smaller environmental impact whenever possible.
- Goods produced using plant- and animal-based raw materials must be from well-managed ecosystems where land is used efficiently and natural diversity is preserved.

4.8 Data protection

Both parties agree to evaluate whether the activities in the agreement involve processing of personal information and make an agreement regarding processing of personal information according to the General Data Protection Regulation (EU) 2016/679.

The service provider must ensure that they process all personal information data according to the current data protection legislation, with good processing practice and with high due diligence. The service provider must ensure that they have and will fulfill without limitation all necessary requirements in their activities regarding processing personal information, such as documentation of the process and proper technical and organizational measures taken to protect personal information. If the agreement between both parties includes processing personal information, the service provider must agree to cooperate with regarding processing of personal information, preparation of processing and evaluation in the scope demanded throughout the contract period.

5. SPECIFICATION OF REQUIREMENTS

The specification of requirements has been compiled in order for us in Newsec to make sure that all necessary requirements will be fulfilled while signing the contract. This will enable us to order products and services for our clients. If there are conflicting requirements in the contract documents, these will be the minimum requirements applied.

5.1 Basic obligations

1. The service provider accepts and acts according to the Newsec's Corporate Responsibility Requirements for service providers and suppliers.
 2. The service provider holds a valid Business ID.
 3. The service provider makes its VAT payments. The service provider has no unsettled tax debts.
 4. The service provider has a valid liability insurance with sufficient coverage.
 5. The service provider has signed the collective agreement relevant to its sector and is committed to adhere to its minimum requirements.
 6. The service provider is responsible for ensuring that all its subcontractors follow these guidelines.
 7. All operators providing construction, maintenance, repair and servicing services must be registered to the Luotettava kumppani - service (vastuugroup.fi)
- a) an ISO certified quality system
 - b) another similar quality/sector-specific certification that includes a quality management and improvement system
 - c) commitment to the best and generally accepted practices of the sector (e.g. good construction practices, general quality specifications for construction)
2. The service provider has a written environmental practice that is known by its employees and made available to them.
 3. The service provider ensures that its occupational safety meets the minimum legal requirements and improves it through trainings.
 4. The service provider and its subcontractors hold any sector-specific certificates required by law (e.g. Occupational Safety Card). Any construction work adheres to the National Building Code of Finland, good construction practices and other applicable legislation.

5.3 Choosing materials

1. While choosing materials, the service provider must take into consideration the substitution principle set in the chemicals legislation. This states that harmful chemicals and other substances are replaced with less harmful products and methods whenever possible.
2. All construction materials and products used must be approved by the authorities or another relevant operator (e.g. the Finnish indoor air association Sisäilmayhdistys). In product groups for which the CE marking is required, only CE marked products may be used.

5.2 Requirements related to quality, environment and working conditions

1. The service provider has one of the following quality management systems:

3. Products that are covered by the Emission Classification of Building Materials must hold M1 classification.
4. All used wood and wood-based products must be responsibly and legally produced (e.g. FSC-, PEFC, SFI-certified or produced by other generally approved method).

5.4 Waste and recycling

1. Alternative demolition methods should be used whenever possible
 - a) to enable reuse of building materials
 - b) in disposal of hazardous waste (e.g. pre-demolition audit if necessary)
2. Handling building and demolition waste in an environmentally friendly way, the service provider must train their employees of:
 - a) proper disposal and recycling of building and demolition waste
 - b) proper disposal and recycling of hazardous waste
3. All employees of the service provider that handle harmful substances must be qualified and sufficiently skilled to handle such substances.
4. Recycling waste should primarily be done as source separation recycling. This is made possible by providing the right conditions for the easy separation of waste.
 - a) As a minimum, recycling facilities should be made available where the following types of waste are produced: wood, mixed construction waste, concrete, gypsum, energy and metal. The target waste sorting rate on site should be at least 75%. The mass of waste and its final disposal site must be documented by waste component. The service provider must provide documentation of this when asked.
5. Service providers that produce cleaning and property management services must sort and recycle waste created in the properties and all waste must be sent to their proper management

sites.

5.5 Indoor climate, technical systems and energy usage

1. Heating, ventilation and air conditioning systems must be designed so that good air quality and good conditions in terms of draft, background noise and the relative humidity of air can be ensured.
2. When choosing technical systems, a life-cycle analysis of costs must be carried out in the extent that is relevant for the acquisition in question. Systems must be designed so that energy consumption during usage is as small as possible while ensuring good indoor climate.
3. When spaces are renovated or altered, especially before its first use or with new materials, both the spaces and materials must be well ventilated so that exposure to impurities (VOC, PAH, formaldehyde) are minimized for users.
4. We recommend that refrigerants with the GWP (global warming potential) value below 10 are used in refrigerant systems (with a refrigerant capacity of over 5 kg).
5. Partitions, ventilation ducts, ceilings and such must be designed to reduce sound pollution within and between spaces.
6. When choosing lighting and other office fixtures, special attention must be paid to creating good lighting and low power consumption (> 100 lm/W).
7. Pressure loss in ventilation systems must be kept to a minimum in order to reduce background noise caused by fans and to improve energy efficiency. Generators and engines must be equipped with vibration and noise mufflers.
8. All technical systems and lighting installations must take easy adaptability, replacement, servicing and cleaning into consideration.
9. All plumbing fixtures must be water saving.

5.6 Transport and fuels

1. When choosing vehicles, the service provider must consider sustainability and environmental factors. We recommend that vehicles with carbon dioxide emissions of no more than 120 g CO₂/km are used for transporting people. The maximum limit for vehicle emissions is 160 g CO₂/km.
2. The service provider must plan and carry out its transportation needs so that the created environmental load is as small as possible.
3. Work machinery and tools must use eco-friendly fuels and be as environmentally friendly as possible in other aspects as well (e.g. use of catalytic converters).



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