

EXPLANATIONS AND COMMENTS ON FOLLOW-UP FORM

Question 1: What type of company are you?

Different types of companies have different conditions for working with corporate responsibility and will also choose different ways of meeting the demands of purchasers. In order for us to make as accurate an assessment of your work as possible, it is important to know what type of company you are.

We use "producer" to refer to a company that produces goods, either directly or through sub-suppliers. "Brand owners" are the companies that own the rights to the brand used on the supplied product.

We use "wholesaler" or "reseller" to refer to a company that sells products on the Swedish market that are manufactured by someone else.

→ Indicate what type of company you are by making one or more checks in the appropriate space(s).

Question 2: Does the company have anyone at management level responsible for ensuring that the ethical and social requirements are complied with?

Successful initiatives concerning social responsibility during the production stage are well-integrated in the company and a prioritized component of business activities. For this work to have the significance and impact in the organization that is necessary for good results, it is important to have clear responsibility delegated to a central position in the company.

→ Make a check in the appropriate space(s) to indicate your answer to the question. If the answer is yes, specify name, title and contact information.

Question 3: Does the company have information concerning the manufacturing location(s) of the products supplied under the contract?

Please provide as complete a description of your production chain as possible, i.e. where all production of your goods takes place (though not intermediate goods and materials). Please provide information on country and location (city, village, etc.) You are not obligated to provide factory addresses here. However, please note that if a random inspection is conducted, you may be required to disclose specific addresses.

→ Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", describe the production chain and specify the country/countries and the location(s) where the products supplied under the applicable contract are produced. If you need more space to provide your answer, you may enclose your report as a separate attachment.

Question 4: Have you detected places in your supply chain that may cause difficulty complying with the purchaser's ethical requirements, and assessed the risks associated with these?

A risk analysis is a necessary step in identifying problematic areas, prioritizing and providing documentation for effective countermeasures.

Question 4 concerns the assessment of your company's knowledge of production and the risks associated with manufacturing in the various stages.

We are also interested here in determining if you have analyzed risks for intermediate goods and materials in the products supplied under the contract in question.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", describe how or by what methods you assess risks in the production chain for the products supplied in the applicable contract. Examples of documentation can include a report or other material from a risk analysis conducted in the past two years.

Question 5: Do you have social/ethical requirements for your suppliers regarding production?

There must be a policy describing the company's requirements for its suppliers in place both internally and externally. Internally so that the employees know what applies and externally so that the company's business partners are made aware of what is expected of them regarding social conditions in production. Formulating a code of conduct is often the first step for an organization beginning to work with social responsibility.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", enclose written documentation presenting the requirements for the suppliers affected by the applicable contract. Examples of documentation include a code of conduct or other types of supplier requirements.

Question 6: Do these requirements include references to the requirements in the terms of contract?

Compliance with the eight ILO core conventions, Article 32 of the UNCRC, the working environment and labour legislation of the country of production and national minimum wage regulations are the requirements we place on you. See the enclosed document for the complete terms of contract. It is therefore important to know the extent to which these requirements are implemented in the production of the products you supply to us.

Our requirements have been selected because they are fundamental and internationally recognized standards that are well-regulated by legislation in most countries. The problem is that this legislation is not always complied with.

- Make a check in the appropriate space to indicate your answer to the question. If not all of the abovementioned requirements are included, mark "yes" but clearly specify which of the requirements are not included.

Question 7: Are your suppliers informed of the requirements listed above?

In question 7, we would like to know what actions have been taken to make the code of conduct and/or the purchaser's ethical requirements known to concerned parties further down in the supply chain.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", describe how the suppliers relevant to the applicable contract have been made aware of your social/ethical requirements.

Examples of documentation may include a report from a workshop or training programme where the requirements were discussed, or a bullet-point list of occasions in which management or employees have discussed the social/ethical requirements. Another example might be to enclose your code of conduct translated to the local language.

Question 8: Are the social/ethical requirements part of your contracts with suppliers?

- Make a check in the appropriate space to indicate your answer to the question. A "yes" answer indicates that your social/ethical requirements have been written in to the contracts that you have with the suppliers that are relevant to the applicable agreement with (procuring authority).

Question 9: Do you have procedures in place for assessing new and existing suppliers with regard to your social/ethical requirements for this contract?

- Make a check in the appropriate space to indicate your answer to the question. A "yes" answer indicates that you systematically assess, both for existing contracted suppliers and when contracting new suppliers, how well the supplier affected by the applicable contract can be expected to live up to your social/ethical requirements.
Please describe the procedures and methods you use to assess suppliers.

Question 10: Have you inspected your suppliers with regard to social responsibility?

We would like to know what percentage of the suppliers producing goods under the applicable contract have been audited/inspected, either by yourselves or by a third party such as an auditing firm.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", specify the percentage of suppliers engaged in the applicable contract that have been audited or inspected in some way. Also enclose documentation of conducted audits. This may include audit reports, inspection reports or similar. If there are very many suppliers who have been audited and are active in the applicable contract, it is sufficient to provide a couple of representative examples in the documentation. More documentation may, however, be requested at a later time.

Question 11: Are other activities conducted for or in conjunction with the suppliers to make it easier for them to comply with the social/ethical requirements?

In Question 11, we assess any attempts from you to bring about lasting changes in the supplier in addition to your work with codes of conducts and audits.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", describe the activities you have conducted with suppliers engaged in the applicable contract over the past two years. Examples of documentation may include a report from a training programme for the supplier's management in ethical and environmental issues or a report from an information campaign for employees.

Question 12. Have objectives and schedules been adopted to deal with any problems observed?

Describe the planned actions and schedules in relation to any problems you detected in your follow-up work.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", specify the objectives and schedules that have been adopted. Examples of documentation include sustainability reports specifying planned rectification measures and action plans or similar reports to the board of directors, owners, employees or the public. Documentation can also include an internal working document.

Question 13: Are trade unions represented in the factories that manufacture the products you deliver under the contract?

Trade union rights are stipulated in the eight core ILO conventions (numbers 87 and 98). We are aware that there are countries that prohibit free organizing in their legislation and do not, in these cases, expect free trade unions. However, there are other ways to facilitate dialogue between employers and employees. For example, in countries such as China, employees can still be encouraged to choose their own union representatives (even if their organization must be affiliated with the sole union permitted by the government). Please report any such activities in the answer to Question 14.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", specify the percentage of suppliers engaged in the applicable contract that you know have union representation at the workplace.

Question 14: Does your company work in any way to counteract union discrimination in the supply chain?

In Question 14, we assess whether or not your company has strengthened its efforts to counteract violations of ILO conventions 87 and 98.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", report the methods used and/or activities conducted to counteract union discrimination in the supply chain. Documentation may, for example, include a report of a clear communication to the supplier that union rights are something your company supports. Or a description of a systematic effort to reward suppliers that have functioning trade unions.

Question 15: Has your company adapted its activities to enable suppliers to meet these social/ethical requirements?

Many suppliers express the view that it is difficult to live up to the purchaser's social and environmental requirements. In some cases, these changes cost money and suppliers in strained sectors may feel that they cannot afford the investments needed to meet the requirements.

In Question 15, we assess whether or not your company has analyzed its role as purchaser.

- Make a check in the appropriate space to indicate your answer to the question. If the answer is "yes", describe the activities you, within your own company, have conducted in the past two years. Documentation may include a report on an internal project aimed at avoiding making late orders or late changes in orders that generate excessive or illegal overtime for the employees in production. Another example is a decision to avoid pushing prices to a level in which necessary investments in environmental issues and working conditions are not possible.