

Varma's core task is to secure pensions. Responsibility is a strategic focus for Varma and an integral part of all our business.

We are committed to engaging in and developing responsible ways of operating. Every Varma employee is bound to Varma's Code of Conduct.

Looking after pension assets is a significant social mandate that requires a high level of ethics and transparency. That is why we consider it important that our suppliers (service providers, goods suppliers and sales network representatives) also take excellent care of their responsibility obligations.

We expect our suppliers to bear their responsibility for the economic, social and environmental impacts of their operations. In addition, our direct suppliers must, in accordance with due diligence, ensure that their subcontractors also comply with the law and with the requirements of this Supplier Code of Conduct in their own operations. Suppliers are responsible for ensuring that the persons within their organisation whose duties relate to this Supplier

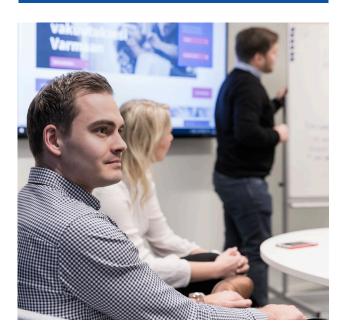
Looking after pension assets is a significant social mandate that requires a high level of ethics and transparency. That is why it is important to us that our suppliers also take excellent care of their responsibility obligations.

Code of Conduct are informed. We are prepared to help promote responsibility by sharing our own experiences and co-operatively developing operating methods.

In Varma's real estate business and property development projects, model terms that contain more detailed requirements, for instance regarding safety and environmental matters, are applied.



We are prepared to help promote responsibility by, e.g., sharing our own experiences and cooperatively developing operating methods.



Legality of operations and ethical business

In taking care of its social mandate, Varma must operate in an exemplary manner. This means our suppliers must also have a high standard of ethics and a good reputation. Suppliers must

- comply with the law and with this and similar supplier codes of conduct
- · engage in competition honestly and ethically
- meet their financial and other business obligations appropriately
- ensure that confidential information, especially concerning private persons, remains undisclosed
- reject corruption and the giving and receiving of gifts that may be interpreted as an attempt to influence actions
- reject all forms of money laundering and ensure that terrorist activities are not contributed to in any way
- control and ensure that the company's management, administration or parties exercising authority are not banned from engaging in business activities

Human rights and a good working life

Varma is committed to promoting human rights and to operating in accordance with the UN's principles concerning business and human rights. We also require our suppliers to comply with the principles. Suppliers must be able to demonstrate, upon request, the controls they have in place to ensure that human rights are realised in their operations and supply chain.

Suppliers must ensure that neither they nor their supply chain are complicit in human rights abuses. Human rights abuses must be addressed, and corrective measures must be taken without delay.

Freedom of association and the right to collective bargaining are fundamental rights of employees. Minimum working conditions laid down in laws and collective agreements must be complied with in the operations of suppliers and their subcontractors. It must be ensured that compulsory, forced or child labour are not used. Employees must be paid at least the minimum wage according to national legislation or the minimum wage that generally applies in the industry.

Equal treatment is a central value at Varma as a work community. Discrimination and harassment must also be explicitly prohibited in the operations of our suppliers and their subcontractors. Applicable national law must be complied with in employees' working hours. It must be ensured that employees are given sufficient rest periods.



Occupational safety and health

The work environment must, without exception, comply with the requirements of occupational safety and health legislation. Accidents and injuries must be prevented, and it is important to document and investigate accidents and near-misses pertaining to occupational safety and health. We encourage our suppliers to continuously assess their safety and health risks.



Respect for the environment

Respect for the environment and especially mitigating climate change are integral parts of Varma's Corporate Social Responsibility. We also require our suppliers to be aware of their environmental impacts and to take them into account in their operations. Environmental legislation must be complied with, without exception.

Particular attention must be paid to assessing, minimising and preparing for environmental impacts, in order to prevent environmental risks. Taking into account the nature of the operations, we encourage our suppliers to use a certified environmental system or a documented operating method for managing their environmental matters. We also encourage them to develop and use environmentally friendly solutions. Especially in emissions-intensive industries, suppliers should pay special attention to monitoring their carbon footprint and to targets related to minimising future environmental impacts.

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Disclosure obligation and follow-up

If a supplier observes a breach of this Supplier Code of Conduct in their subcontractor network or suspects a breach pertaining to products or services to be supplied to Varma, the supplier must notify Varma of such without delay.

If requested, suppliers must provide Varma with information regarding their compliance with this Supplier Code of Conduct.

Varma may conduct audits, either on its own or with the assistance of a third party, to determine compliance with this Supplier Code of Conduct. Possible audits are always conducted co-operatively, which means the supplier assists Varma in the audit, e.g. by permitting inspections at the workplace.

If we discover that our supplier has breached this Supplier Code of Conduct and the breach is not rectified within the agreed timeframe, Varma has the right to terminate the agreement, to which this Supplier Code of Conduct is attached. A further consequence of the breach is that the supplier might no longer be included in future bidding opportunities.

This Supplier Code of Conduct has been approved by Varma's Board of Directors on 14 December 2017.

