



# Supplier Code of Conduct

KPMG Sweden, Latvia and Lithuania



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# 01

# Introduction to our values

At KPMG, we know that trust is earned by doing the right thing – not just some of the time but all of the time. And as the world rapidly changes and becomes more complex, this simple principle has never been more important. We are committed to the highest standards of personal and professional behavior in everything we do. Ethics and integrity are core to who we are and why everyone at KPMG, including our suppliers, is held to this promise of excellence.

## Our Global Code of Conduct

Within our Global Code of Conduct, we outline the responsibilities all KPMG people have to each other, our clients, and the public. It shows how our Values and Purpose inspire our greatest aspirations and guide all of our behaviors and actions. It defines what it means to work at and be part of KPMG, as well as our individual and collective responsibilities. The Global Code of Conduct (Code) is intended for use by:

- All of our people: To understand what is expected of them and the responsibility resting on each of them to apply KPMG's Values in everything they do

- Our leadership and management teams: To help them ensure that the decisions they make, the role models they are and the expectations they have of their colleagues take into account their responsibilities and our Values
- Prospective employees
- Regulators, clients, suppliers, and the general public, as they seek to understand the values of our organization.

## Conduct and Integrity – we expect of our suppliers:

The highest levels of ethics and integrity are vital for sustainable and fruitful relationships.

We therefore require our suppliers to:

- Act with integrity, constantly striving to uphold the highest standards of ethical practice and professional standards
- Adhere to all applicable laws, rules, and regulations
- Avoid any conflicts of interest and never participate in improper practices such as corruption, bribery, extortion, embezzlement, or use of slave labor
- Understand and comply with the more restrictive requirements of either KPMG International's Gifts and Entertainment guidelines (see Exhibit 1), or local in-country legislation, before offering or providing any KPMG personnel with any gift and/or business entertainment
- Not offer, give, or accept anything of value that may be viewed as, or has the effect of, improperly influencing business decisions
- Use all measures to protect the privacy of personal information
- Not share or exchange any competitive information, or undertake any collusive conduct with any other third party with respect to any proposed or current KPMG procurement.



# 02 Respecting Human Rights

KPMG is committed to respecting human rights and we support the United Nations Global Compact. KPMG believes slavery and human trafficking are very serious issues that must be tackled head on.

## We expect of our suppliers:

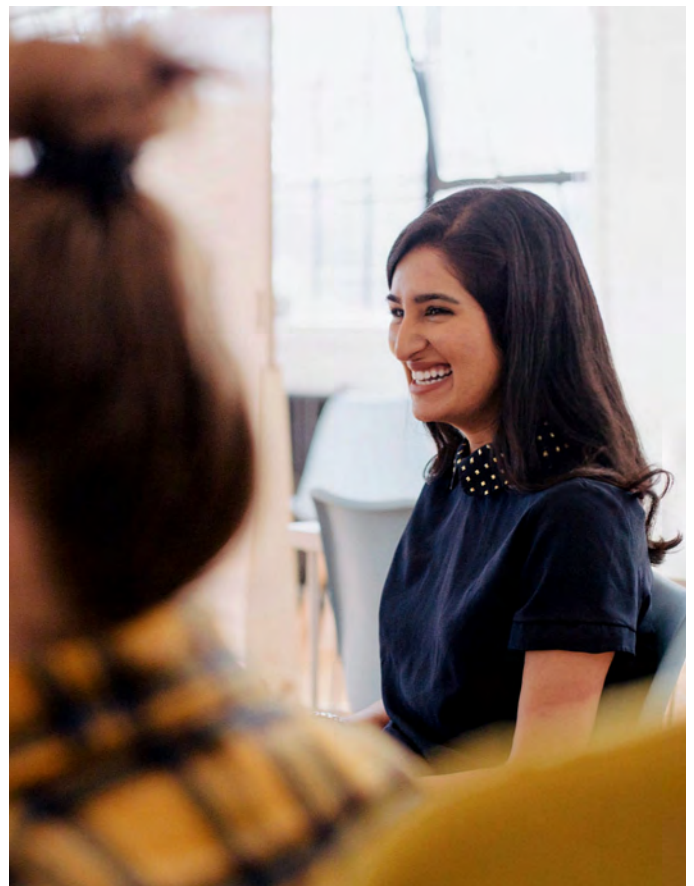
KPMG expects our suppliers to respect human rights, promote fair labor practices and foster an inclusive environment that is free of discrimination.

In addition, we expect that all of our suppliers meet the same standards and practices as ours in relation to eradicating modern slavery and human trafficking, including but not limited to:

- not using slave labor, illegal child labor or forced labor, or any form of human trafficking
- ensuring that all terms of employment are voluntary and workers are free to resign their employment without restrictions or penalty
- adhering to applicable laws in respect of minimum age requirements, wages, overtime and working hours
- encouraging their workforce to speak up where they witness or experience treatment or dealings contrary to the minimums detailed herein
- having mechanisms in place where workers can report grievances without fear of retribution
- providing their workers with a written contract in a language they can understand, where terms of employment including wages and work hours are clear, or where this is not customary, working terms must be posted in a central location where all workers are able to access and review
- prohibiting retainment of workers IDs and passports
- not charging employees recruitment fees, processing fees, or requiring the use or acceptance of debit (or similar cards) as a form of payment
- not requiring employees to be married or in a committed relationship in order to maintain employment, and
- allowing employees the freedom to associate and allow effective ways of collective negotiation.

## Our suppliers are required:

- to provide us with all necessary requested assistance to expose and address modern slavery risk. This may include, by way of example, responding to due diligence questionnaires, participating in live interviews/reviews, and otherwise providing us with information required to action remediation, if possible.
- to encourage their workforce to report any potential behavior that is not in line with this Supplier Code, laws, regulations or ethical or professional standards, as well as any concerns which otherwise risk our relationship and contract with them; and inform the relevant workforce, they will not be subject to retaliation for raising any concern in good faith.





## Inclusion, Diversity & Equity

With respect to Inclusivity and non-discrimination, KPMG has a Inclusion, Diversity & Equity (IDE) Steering Group to ensure that we build an inclusive culture so that everyone experiences an equitable, empowering and inclusive workplace that is free from discrimination, harassment, victimization or bullying for any reason. The objective of the policy is to ensure all of our people, wherever they are in the world, feel safe and empowered at work so that they can perform to the best of their ability in a supportive, open and inclusive environment. It reinforces KPMG's commitment to be an equal opportunity employer that does not discriminate on any grounds including age, gender identity, sexual orientation, race, national or ethnic origin, caste, socio-economic background, language, religion, political beliefs, or disability.

### We expect of our suppliers:

Our policies are underpinned by a respect for each individual's dignity and rights and we expect the same values from our suppliers, namely to:

- foster a culture that values diversity and promotes equal opportunity for all
- treat employees fairly and comply with relevant laws that prohibit discrimination
- provide a safe, healthy working environment and support the occupational health of all employees and team members
- commit to a workplace free of discrimination and have written policies which are regularly reviewed, that support an environment which is free from discrimination, harassment, abuse, victimization and bullying
- prohibit and not tolerate any form of physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse, corporal punishment, mental or physical coercion or other forms of intimidation
- provide training designed to educate the workforce and prevent discrimination and harassment in the workplace
- establish appropriate Inclusion, Diversity & Equity (IDE) goals and measurements including the scope of diversity data, and how this is measured and/or published
- cooperate with any requests from KPMG to provide evidence of compliance with the requirements outlined in this section. This may include, by way of example, responding to a due diligence questionnaire or otherwise providing us with relevant information as requested.

# 03

## Anti-bribery and corruption

It is important for KPMG to uphold the highest standards of professional integrity, which is also the expectation of KPMG suppliers.

KPMG's position is that bribery and corruption are unethical and unacceptable and are inconsistent with our values and our Global Code of Conduct – we have a zero tolerance for bribery.

The KPMG values are at the heart of the Code. Our values define what we believe in and how our member firms and professionals go about their work. The value that underpins all others, is that member firms and their people act with integrity – constantly striving to uphold the highest professional standards, provide sound advice, and rigorously maintain their independence. Specifically in relation to anti-bribery and corruption, the Code commits all KPMG professionals to:

- Act lawfully, ethically and in the public interest
- Prohibit bribery and corruption by KPMG people

- Not tolerate illegal or unethical behavior by clients, suppliers or by public officials and
- Follow high standards of ethical conduct around the world, including aspiring to the ten principles of the UN Global Compact (including anti-bribery).

### KPMG International hotline

To facilitate the reporting of potential or suspected violations of KPMG policy or applicable laws, regulations or professional standards, including those relating to anti-bribery, KPMG International has a hotline available for KPMG personnel, clients, and other parties (including suppliers) to confidentially report concerns they have relating to certain areas of activity by the senior leadership of a KPMG member firm.

**“The value that underpins all others, is that member firms and their people act with integrity – constantly striving to uphold the highest professional standards, provide sound advice, and rigorously maintain their independence.”**



# 04 Environment

At KPMG, under Our Impact Plan we have commitments relating to our impact on the Planet, and this extends to our supply chain and suppliers. As a professional services firm, a significant amount of our footprint and impact are through our supply chain, and therefore it is essential we work with suppliers to understand this through the products and services we procure, continuously work to improve data and performance, and ensure that the targets we set and achieve include our supply chain.

We set a 2030 near-term science-based target, validated by the Science-Based Targets Initiative (SBTi) requiring significant decarbonization across both our operations and supply chain.

Beyond our climate impact, we are also committed to understanding and reducing our impact on the environment and nature. We need to understand our dependencies on nature and natural capital, improve circularity within the categories we procure, and strive to be nature positive.



We require our suppliers to collaborate with us to support our goals, to ensure the targets we set and achieve represent our impact as a firm.

## We expect of our suppliers:

- ensure compliance with all applicable environmental laws, regulations and legal standards
- demonstrate clear understanding of the environmental risks and impacts associated with the goods and services they provide, and have implemented or designed a program to mitigate these risks
- have plans to reduce the environmental impact of the goods and services they provide, including initiatives to reduce emissions
- suppliers are encouraged to set a science based reduction target that is independently verified
- make practical efforts to minimize the use of energy, water, and raw materials; where possible, these should be renewable or sustainably sourced
- minimize the usage of hazardous substances as well as the consumption of scarce resources
- cooperate with any requests from KPMG to disclose their environmental data.

## Exhibit 1 – KPMG's gifts and entertainment guidelines:

# Gifts received from third parties

KPMG's relationships in all dealings between member firm partners and employees and third parties such as clients, prospective clients, government officials, suppliers or other non-KPMG personnel shall be based on lawful, efficient, and fair business practices. Business relationships are to be founded upon professional and impartial conduct in all phases of the selling and purchasing cycle, as well as with the delivery of all services.

In circumstances where it would not create an appearance of impropriety, employees may receive or offer trivial and inconsequential benefits.

Gifts and entertainment may be considered as inducements and can be anything of value. Gifts and entertainment include hospitality. They also include benefits aimed at the recipient's close relatives and may conclude meals, tickets to sporting, theatre or other cultural events, promotional items, discounts, cash, favorable terms on any product or service, prizes, transportation, use of another company's vehicles/transport, use of vacation/holiday facilities, stocks or other securities, home improvements and gift certificates.

Offering or accepting gifts or entertainment, like any other inducement, would improperly influence personnel's behavior if it causes personnel to act in an unethical manner. Offering or accepting gifts or entertainment also would be improper if it casts doubt on the firm's or an individual's integrity, independence, objectivity, or judgement.

The determination of whether offering or accepting gifts or entertainment is improper requires personnel to exercise professional judgment.

To determine whether it is permitted to provide a benefit, it is necessary to consider which organization the recipient is employed or contracted in, and under what circumstances the benefit is being given. For instance, **all benefits provided to persons involved in the exercise of public authority or in the execution of a public procurement is prohibited.** Further, within other categories in the public sector and publicly funded activities, in addition to those that are exercising public authority or deciding on public procurement, benefits may be permitted, although a high level of restrictiveness must still be observed. In this context, public sector refers to the tax and fee-financed activities run by the public sector, as well as Government-owned companies, municipalities, or regions.

The entertainment/gift must typically not be intended to influence the recipient's performance and are limited to smaller amount and should be given with no requirement, or expectation of an increased sales of our service or assignment. Gifts and entertainment must be reasonable in terms of the size of amount, frequency, and nature. The size of amounts involved in relation to a gift or entertainment must be considered.







## **KPMG Sweden**

**Visiting address:**

Vasagatan 16, Stockholm

**Postal address:**

P.O. Box 382

SE-101 27 Stockholm

**Tel:** +46 8 723 91 00

**E-mail:** [info@kpmg.se](mailto:info@kpmg.se)

**[kpmg.se](http://kpmg.se)**

## **KPMG Latvia**

**Visiting address:**

Roberta Hirša iela 1, Rīga

**Postal address:**

Roberta Hirša iela 1

Rīga, LV-1045

**Tel:** +371 67 038 000

**E-mail:** [kpmg@kpmg.lv](mailto:kpmg@kpmg.lv)

**[kpmg.lv](http://kpmg.lv)**

## **KPMG Lithuania**

**Visiting address:**

Lvivo 101, Vilnius

**Postal address:**

Lvivo 101, Vilnius 08104

Lithuania

**Tel:** +370 5 210 2600

**E-mail:** [info@kpmg.lt](mailto:info@kpmg.lt)

**[kpmg.lt](http://kpmg.lt)**

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