

UPM

FSC CORE LABOUR REQUIREMENT – SELF-ASSESSMENT

Coverage:

- UPM Paper and Pulp Multisite: SGSCH-COC-002249
- UPM Raflatac Multisite: SGSCH-COC-004879
- UPM Plywood Multisite: DNV-COC-000189
- UPM Timber Finland Multisite: DNV-COC-000275
- UPM WS, Finland: SGSCH-COC-002238
- UPM GmbH, CEWS: SGSCH-COC-110078
- UPM Forest, Finland: DNV-FM/COC-001705, DNV-FM/COC-001706
- UPM OÜ, Estonia: SA-COC-008082
- Steyerrmühl Sägewerkgesellschaft m.b.H Nfg. KG: SGSCH-COC-110057

FSC core labour requirements self-assessment Attestation:

I, Ulla-Riitta Unkuri, hereby affirm that the following statements are true and correct to the best of my knowledge, and I acknowledge making a knowingly false statement can result in the suspension or termination of the certificate or non-issue of the certificate.



Name **ULLA-RIITTA UNKURI, VP, STAKEHOLDER RELATIONS
AND MARKETING**

Date **24.4.2023**

Requirement	Questions	Answer
1. Child Labour		
<p>7.2 The organization shall not use child labour.</p> <p>7.2.1 The organization shall not employ workers below the age of 15, or below the minimum age as stated under national, or local laws or regulations, whichever age is higher, except as specified in 7.2.2.</p> <p>7.2.2 In countries where the national law or regulations permit the employment of persons between the ages of 13 to 15 years in light work, such employment should not interfere with schooling nor, be harmful to their health or development. Notably, where children are subject to compulsory education laws, they shall work only outside of school hours during normal day-time working hours.</p> <p>7.2.3 No person under the age of 18 is employed in hazardous or heavy work except for the purpose of training within approved national laws and regulation.</p> <p>7.2.4 The organization shall prohibit the worst forms of child labour.</p>	a) Does your organization comply with Clause 7.2? If yes, continue at c).	Yes
	b) If the answer is no to a) above, please describe how or why your organization does not comply with Clause 7.2.	-
	c) For the individuals employed by you at the site/sites holding the certificate, describe how your organization knows it complies with Clause 7.2.	<p>UPM is committed to respecting human rights in line with the United Nations Guiding Principles on Business and Human Rights.</p> <p>UPM has written employment contracts with all employees and the identity of each employee is confirmed by checking official IDs. UPM complies with applicable national legislation in all locations . According to UPM Code of Conduct (section 2) UPM does not tolerate the use of child labour under any conditions. According to UPM Human Resources Rules (section 5) UPM follows International Labor Organization's (ILO) definition of minimum age or local laws if the minimum age is higher according to them. Employment of young persons shall not jeopardize their education or development.</p>
	d) Identify any documents or other records (and their location) that you rely upon to verify compliance with Clause 7.2.	ID card of the employee is checked during the recruitment process.
	e) Identify any legal obligations that you believe may impact your ability to comply with Clause 7.2. Please describe them, and how they impact your ability to comply with Clause 7.2.	None identified
	f) Attach a policy statement, or statements, made by your organization that encompasses Clause 7.2.	UPM Code of Conduct UPM Human Resources Rules UPM Supplier and Third-Party Code UPM Responsibility statement
2. Forced Labour		
<p>7.3 The organization shall eliminate all forms of forced and compulsory labour.</p> <p>7.3.1 Employment relationships are voluntary and based on mutual consent, without the threat of a penalty.</p> <p>7.3.2 There is no evidence of any practices indicative of forced or compulsory labour, including, but not limited to, the following:</p> <ul style="list-style-type: none"> • physical and sexual violence • bonded labour 	a) Does your organization comply with Clause 7.3? If yes, continue at c).	Yes
	b) If the answer is no to a) above, please describe how or why your organization does not comply with Clause 7.3?	-
	c) For the individuals employed by you at the site/sites holding the certificate, describe how your organization knows it complies Clause 7.3?	<p>According to UPM Code of Conduct (section 2) we do not tolerate the use of forced labour under any conditions. According to UPM Human Resources Rules (section 5) UPM does not use or tolerate the use of forced labor. Our employees are not required to deposit their ID papers when the employment starts, and they are free to leave their employment as provided in local laws and their employment contract or equivalent document. We do not use or tolerate the use of involuntary prison labor.</p>



Requirement	Questions	Answer
<ul style="list-style-type: none"> • withholding of wages /including payment of employment fees and or payment of deposit to commence employment • restriction of mobility/movement • retention of passport and identity documents • threats of denunciation to the authorities. 	d) Identify any documents or other records (and their location) that you rely upon to verify compliance with Clause 7.3.	UPM internal controls, internal audits & UPM Report Misconduct channel .
	e) Identify any legal obligations that you believe may impact your ability to comply with Clause 7.3. Please describe them, and how they impact your ability to comply with Clause 7.3.	None identified
	f) Attach a policy statement, or statements, made by your organization that encompasses Clause 7.3.	UPM Human Resources Rules UPM Code of Conduct , UPM Supplier and Third Party Code UPM Responsibility statement UPM Slavery and Human Trafficking Statement 2020
	3. Discrimination	
7.4 The organization shall ensure that there is no discrimination in employment and occupation. 7.4.1 Employment and occupation practices are non-discriminatory.	a) Does your organization comply with Clause 7.4? If yes, continue at c).	Yes
	b) If the answer is no to a) above, please describe how or why your organization does not comply with Clause 7.4.	-
	c) For the individuals employed by you at the site/sites holding the certificate, describe how your organization knows it complies with Clause 7.4.	<p>According to UPM Code of Conduct (section 2) All our employees must respect everyone's freedom from discrimination based on race, age, nationality, gender or sexual orientation. We do not tolerate sexual harassment or any other form of harassment.</p> <p>According to UPM Human Resources Rules (Section 4) UPM promotes equal opportunities and does not tolerate direct or indirect discrimination towards anyone based on gender, age, ethnicity, race, nationality, family ties, religion, political opinion, trade union affiliation, disability, sexual orientation or other similar aspects relating to a person. There shall be no direct or indirect discrimination in relation to selection criteria in resourcing. In personnel planning and recruiting the focus will be on person's skills and competences. Application and recruitment processes shall be open and transparent whenever applicable. Work environment and staff facilities shall be developed so that they do not prevent equality between employees. All employees shall have a chance to develop in their work. Employees are given equal career opportunities based on their qualifications and the business needs.</p> <p>We are committed to developing an organisational culture and local conditions that ensure a diverse and inclusive working environment. Diversity and inclusion are included as UPM's social responsibility targets for 2030. For example, UPM is committed to ensure gender pay equity for all employees by implementing a yearly review process to identify and close unexplained pay gaps.</p> <p>UPM internal controls, internal audits & UPM Report Misconduct channel.</p> <p>See also https://www.upm.com/responsibility/people-and-society/human-rights/our-approach/</p>



Requirement	Questions	Answer
	d) Identify any documents or other records (and their location) that you rely upon to verify compliance with Clause 7.4.	UPM internal controls, internal audits & UPM Report Misconduct channel .
	e) Identify any legal obligations that you believe may impact your ability to comply with Clause 7.4. Please describe them, and how they impact your ability to comply with Clause 7.4.	None identified
	f) Attach a policy statement, or statements, made by your organization that encompasses Clause 7.4.	UPM Human Resources Rules UPM Code of Conduct See also https://www.upm.com/about-us/for-media/releases/2021/12/upm-closes-the-unexplained-pay-gap/
4. Freedom of Association and the Right to Collective Bargaining		
<p>7.5 The organization shall respect freedom of association and the effective right to collective bargaining.</p> <p>7.5.1 Workers are able to establish or join worker organizations of their own choosing.</p> <p>7.5.2 The organization respects the full freedom of workers' organizations to draw up their constitutions and rules.</p> <p>7.5.3 The organization respects the rights of workers to engage in lawful activities related to forming, joining or assisting a workers' organization, or to refrain from doing the same, and will not discriminate or punish workers for exercising these rights.</p> <p>7.5.4 The organization negotiates with lawfully established workers' organizations and/ or duly selected representatives in good faith and with the best efforts to reach a collective bargaining agreement.</p> <p>7.5.5 Collective bargaining agreements are implemented where they exist.</p>	a) Does your organization comply with Clause 7.5? If yes, continue at c).	Yes
	b) If the answer is no to a) above, please describe how or why your organization does not comply with Clause 7.5.	
	c) For the individuals employed by you at the site/sites holding the certificate, describe how your organization knows it complies with Clause 7.5.	According to UPM Human Resources Rules (Section 6) UPM respects the freedom of association and abides by legally binding collective agreements. Employees have the right to form and join an association and bargain collectively. Where such rights are restricted by local laws, or if no legally recognized union exists in the area, UPM encourages employees to engage in open dialogue with the management. UPM promotes active employee participation and consultation, organized in accordance with international and national rules and regulations.
	d) Identify any documents or other records (and their location) that you rely upon to verify compliance with Clause 7.5.	UPM Human Resources Rules UPM Code of Conduct , UPM internal controls, internal audits & UPM Report Misconduct channel .
	e) Identify any legal obligations that you believe may impact your ability to comply with Clause 7.5. Please describe them, and how they impact your ability to comply with Clause 7.5.	In certain UPM operating countries national law restricts worker's organizations. In such cases employees are not restricted from developing alternative mechanisms to express their grievances and protect their rights regarding working conditions and terms of employment.
	f) Attach a policy statement, or statements, made by your organization that encompasses Clause 7.5.	UPM Human Resources Rules Chapters 6 and 7 UPM Code of Conduct Clause 1