

Jordanes AS

Procedure for Follow Up of High-Risk Suppliers (social rights)

Approved by the Jordanes Board November 2025

Responsible: Procurement

1. Purpose

To ensure that Jordanes proactively identifies, engages with, and mitigates risks associated with high-risk suppliers in line with the Supplier Code of Conduct, OECD Due Diligence Guidance, and the EU Corporate Sustainability Due Diligence Directive (CSDDD).

2. Scope

This procedure applies to all suppliers where preliminary high risk or actual high risks in relation to social rights have been identified—particularly concerning human rights, working conditions, environment, and anti-corruption.

3. Identification of High-Risk Suppliers

Suppliers shall be flagged as preliminary high potential social risk in the internal supplier management system based on Internal preliminary risk assessments:

- Geography
- Sectoral product-specific

4. Immediate Actions Upon Identification

Once a supplier is flagged as preliminary high-risk:

- The Procurement and ESG teams shall jointly initiate a supplier follow-up case.
- The supplier shall be notified in writing and asked to provide documentation on how they manage key risks (e.g. labor conditions, grievance mechanisms, environmental impact).
- If not already in place, the supplier shall be encouraged to obtain certification from a reputable agency, in line with the Jordanes Supplier Certification Policy.

5. Supplier Engagement Measures

One or more of the following follow-up activities shall be carried out if sufficient documentation and/or certifications are not provided, depending on severity:

Action Type:

- Follow-up meeting: Virtual or in-person dialogue between Jordanes and the supplier to clarify risk areas and expectations.
- Corrective Action Plan (CAP): Supplier must agree to and implement time-bound measures to address violations or non-compliance.
- On-site visit or third-party audit: Jordanes or a designated party may conduct or request an inspection (in higher-risk sectors or countries).
- Whistleblower access validation: Ensure the supplier has a functional grievance mechanism and that workers are aware of it.
- Capacity building: Joint activities (e.g. training, knowledge sharing) to support improvement.

6. Remedy and Escalation

If adverse impacts are confirmed and linked to the supplier:

- Jordanes will engage in or facilitate a remedy process, which may include financial compensation, employment reinstatement, or systemic changes.
- If the supplier fails to cooperate or improve after repeated requests, the relationship may be suspended or terminated, according to the Supplier Code of Conduct.

7. Documentation and Reporting

- All actions taken must be logged into Jordanes' supplier management system.
- The ESG Department is responsible for reporting serious cases to leadership and including relevant data in the sustainability report.
- Records must be retained for a minimum of 5 years.

8. Review and Continuous Improvement

This procedure shall be:

- Reviewed annually by the ESG Department.
- Updated in line with legal developments (e.g. CSDDD), stakeholder feedback, and lessons learned.

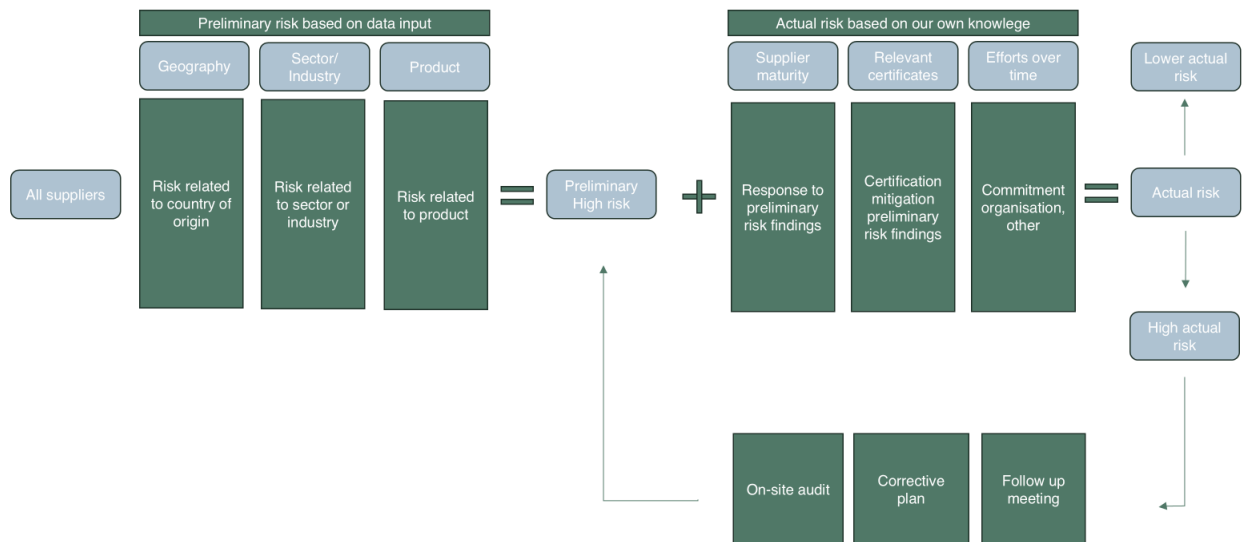
9. References

- Jordanes Supplier Code of Conduct (S 2.1)
- Supplier Certification Policy (S 2.3)
- Guidelines for Creating Local Procedures (G 0.2)
- OECD Due Diligence Guidance for Responsible Business Conduct
- EU Corporate Sustainability Due Diligence Directive (CSDDD)

10. Version control

Valid from	Revision category (new/updated/wording)	Description important changes
November 2005	New	

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This policy has been developed in accordance with the Jordanes ESG Policy-Making Procedure.