



FRAMEWORK AGREEMENT

Our reference
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Date
8 April 2004

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Draft 2 Agreement between SCA and ICEM / Pappers / SCA EWC

Preamble

The aim of this agreement is to promote cooperation and social responsibility within SCA's world-wide operations. Cooperation is to be built on mutual respect, confidence and freely available and honest information. This ensures the possibility for employees and their representatives to influence decisions through consultation¹ with the management. Promoting social responsibility includes important principles concerning human and trade union rights, as well as improving health and safety in the workplace and environmental protection.

The agreement covers all activities where SCA has direct control. Where SCA does not have direct control, it will exercise its best efforts in order to secure compliance with the standards set out in this agreement. SCA will notify its subcontractors and licensees of this agreement and encourage compliance with the standards.

The parties to this agreement are SCA, the Swedish Paperworkers Union (Svenska Pappersindustriarbetareförbundet – 'Pappers'), the International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM) and SCA EWC.

¹ exchange of views and establishment of a dialogue



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Based on the parties' common recognition of fundamental human rights and SCA's own values expressed in its Code of Conduct the purpose is to monitor the practical application of the agreed principles. The agreement also provides the parties with a basis for discussing improvements in the working practices or any positive contribution they may make to economic and social progress.

Principles

The parties agree that the following principles, derived from the ILO Declaration on Fundamental Principles and Rights at Work (core conventions) and SCA's Code of Conduct, should guide SCA's activities and its relations to the employees. SCA requires that all employees - irrespective of their function, grade or standing - observe the following standards of business and personal ethics in the conduct of their duties and responsibilities.

1. SCA will as a minimum comply with all applicable legislative and regulatory requirements.
2. SCA actively strives for the continuous improvement of health and safety in the workplace and environmentally responsible behaviour. SCA aims to provide a safe working environment for its employees. All SCA units will, as a minimum, strictly abide by national laws and collective agreements relating to workplace safety. The parties to this agreement



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will also strive to ensure high standards within the SCA group of companies deploying common "best practice" standards.

3. SCA strives towards a non-discriminatory company culture based upon responsibility, excellence and respect, which builds upon the talents and commitment of our global workforce. It is the policy of SCA to treat all current or potential employees fairly and without prejudice. SCA is committed to eradicating any unfair or discriminatory practices should they occur. All employees will be given the opportunity to progress within SCA without regard to their gender, marital or parental status, race, ethnic or national origin, sexual orientation, religious belief, political affiliation, or disability.
4. SCA strives to provide employees with opportunities to train for job enrichment and increased responsibilities.
5. SCA is committed to paying fair wages and benefits according to relevant market standards wherever we operate.
6. SCA will demonstrate good faith and mutual respect in dealings with employees and their representatives in the workplace. SCA recognizes the fundamental right of every employee to decide on whether or not to be represented by a recognized trade union of their choice. SCA also recognizes



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and respect the basic trade union rights covering freedom of association, right to organize and the right to engage in collective bargaining.

SCA has a long tradition and positive experience of relations with trade unions. This makes it natural for SCA to strive for cooperation and a good relationship with trade unions and their representatives. SCA will ensure that members and official representatives of trade unions are not subject to any form of discrimination and that they are informed in accordance with SCA's industrial relations policy.

7. SCA respects fundamental human rights and will be guided in its operations by the provisions of the United Nations Universal Declaration of Human Rights.
8. SCA supports and respects the protection of human rights within its sphere of influence; in particular the effective elimination of compulsory labour and child labour, and it will make this a criteria in the choice and management of its relationships with suppliers and sub-contractors.

Implementation

SCA will inform its business groups about the existence and the content of this agreement. SCA will take necessary steps to make all local site management aware of their obligations according to this agreement. SCA will ensure that



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appropriate translations of the agreement are available at all workplaces. ICEM will distribute copies of this agreement to all affiliates that organise employees in SCA world wide, and broadly publicise the existence of the agreement and explain its implications to their affiliates within SCA. The parties to the agreement may also decide to cooperate jointly in promoting and explaining this agreement and its implications.

Grievance / Complaint Procedure

In the event of a breach of the agreement the following procedure will normally apply to claims by covered employees:

1. The employee or his/her local trade union should raise the complaint with the local site management.
2. If the complaint is not resolved with the local site management the appropriate national trade union will raise the issue with the human resource department at business group or regional group level.
3. If still unresolved, the complaint will be referred to ICEM / Pappers who will raise the issue with SCA Corporate Management.

Annual review

SCA and Pappers / ICEM will meet annually to review practice in the area of the agreed principles and follow up this agreement. The purpose shall be to



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discuss the issues covered by this agreement with a view to jointly agreeing actions that will further develop good working practices. Participants at the annual meetings will normally be relevant managers from SCA and officials appointed by ICEM / Pappers. Representatives from the SCA European Works Council (EWC) have also a right to attend the meetings. In case of special circumstances (larger restructuring measures etc.), employee representatives from affected units/countries can be invited to participate in such meetings.

Duration and renegotiation

This agreement is valid for a period of 2 years, after which it may be prolonged or renegotiated.

Termination

This agreement may be terminated by either party with six months notice. Such notice shall be in writing.



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SCA

Swedish Paper Workers Union

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