



# SUPPLIER CODE OF CONDUCT PROGRAM



Driving Value Chain  
Transparency and  
Improvement

## INTRODUCTION

# SSCOC

With the European Union's Corporate Sustainability Reporting Directive (CSRD) now in effect in Sweden as of 1 July 2024, the largest companies across Europe have begun preparing for their detailed sustainability reports. Starting from 2025, companies with over 250 employees will also need to report, making value chain transparency a critical requirement.

Additionally, the Corporate Sustainability Due Diligence Directive (CSDDD), effective in 2027, will mandate that companies establish robust systems to verify sustainability standards in foreign subsidiaries and supply chains. While many large companies already have foundational systems in place, improvements across the value chain are increasingly necessary.

For companies with suppliers in developing regions, particularly in Asia and China, aligning with European ESG standards presents unique challenges. Supply chain ESG data collection is often inconsistent, and bridging the gap between expectations and reality requires sustained effort. If your supply chain includes low-cost countries, be prepared to address these requirements effectively.

## WHY START A SUPPLIER CODE OF CONDUCT AUDIT PROGRAM?

Do you rely on suppliers in Asia or China? Are you preparing to issue your first CSRD report, or do your major clients require sustainability data about your supply chain?

Scandic Sourcing has developed a practical and cost-effective solution to address these challenges. With over 15 years of experience, we specialize in assessing supply chains for conformance with code of conduct policies. Recognizing that every situation is unique, we go beyond standardized systems and questionnaires to provide:

### Critical Insights:

*Clarify your supply chain's status, identifying weak points, improvement potential, and responsive suppliers.*

### Measurable Progress:

*Track and demonstrate improvement over time. While suppliers in Asia may not align perfectly with European standards, our program helps you showcase a positive trend in closing those gaps.*

### Clear Communication:

*Our visualized reports simplify complex data, enabling you to show stakeholders that your supply chain is under control.*



# We help you turn your sustainability challenges into strategic opportunities.

**SCANDIC SOURCING**

YOUR CONSULTING PARTNER IN CHINA



## Our Methodology

### Step 1: Materiality Analysis



Every company's risk profile is unique. We communicate with stakeholders to identify key risks and concerns through a double materiality analysis, comparing internal insights with external stakeholder perspectives.

This process aligns with European Union new CSRD/ESRS standards.

### Step 2: Design an Inspection Program



Based on the materiality analysis, we design an inspection program tailored to your supply chain's specific risks.

This includes defining key inspection points and rating metrics, ensuring alignment with stakeholder priorities and risk areas.

### Step 3: Audit, Measure, and Report



Regular site audits and data collection enable progress tracking and continuous improvement.

Our feedback reports provide actionable insights, while communication with site management drives change.

The annual report consolidates supplier pool status and improvements, delivering valuable data for your CSRD/ESRS value chain reporting.

## Why Choose Scandic Sourcing?

### Tailored Solutions:

*Addressing your unique challenges with custom inspection and reporting strategies.*

### Data-Driven Insights:

*Generating valuable supply chain data for value chain reporting in sustainability reports.*

### Sustainable Impact:

*Helping you demonstrate progress and build trust with stakeholders.*



## Let's Discuss Your Value Chain Reporting Needs

Take the first step toward effective supply chain transparency and improvement. Contact us today to explore how we can support your sustainability objectives.

[www.scandicsourcing.com](http://www.scandicsourcing.com)