



NorgesGruppen

Code of Conduct

INTRODUCTION

NorgesGruppen is aware of its social responsibility and our objective is to combine sound business operations with social and environmental responsibility.

An important aspect of social responsibility is the working situation for the workers taking part in the production of the products sold by NorgesGruppen.

Based on our commitment we have set up the NorgesGruppen Code of Conduct to make our position clear for all our suppliers, for our own staff and for other partners. Our Code of Conduct contains internationally recognised labour-and environment requirements, as well as other ethical requirements.

Companies trading with NorgesGruppen shall comply with the NorgesGruppen Code of Conduct. NorgesGruppen also expects our suppliers to ensure that all subcontractors involved in the production of products sold to NorgesGruppen are in compliance with our Code of Conduct.

If non-compliances occur, we expect corrective actions to be taken within a reasonable time frame agreed upon between the supplier and NorgesGruppen. In the case of repeated failures or if the supplier is unwilling to carry out corrective actions, NorgesGruppen will consider termination of its business relationship with the supplier.

Our goal is to influence the work for respect for Human & Labour Rights and environmental protection both within the company and towards our business partners.

As a general rule the supplier and the supplier's subcontractors must follow their respective national laws. Should the provisions of national law and the requirement of our Code of Conduct differ, the highest standard shall apply.

CONDITIONS AT THE WORKPLACE

1. Forced labour/slave labour (*ILO Conventions Nos. 29 and 105*)
 - 1.1 No form of forced labour, slave labour or involuntary labour shall take place.
 - 1.2 Employees shall not be required to pay a deposit or surrender their identity papers to an employer, and they shall be free to terminate a work contract after a reasonable period of notice.
2. Freedom of Association and Collective Bargaining (*ILO Conventions Nos. 87,98, 135 and 154*)
 - 2.1 Employees shall without exception have the right to join or establish trade unions by their own choice, and to bargain collectively.
 - 2.2 The employer shall not discriminate against trade union representatives or prevent them from doing trade union work.
 - 2.3 If such rights are limited by law, the employer shall facilitate, and in no way hinder, parallel mechanisms for free and independent association and bargaining.

3. Child labour (*UN Convention on the Rights of the Child, ILO Conventions Nos. 79, 138, 182 and ILO Recommendation No. 146*)
 - 3.1 Children under the age of 18 shall not engage in labour that is hazardous to their health or safety, including night work.
 - 3.2 Children under the age of 15 (14 or 16 in certain countries) shall not engage in labour that may be detrimental to their education.
 - 3.3 New recruitment of child labour in contravention of the above-named conventions is unacceptable. If such child labour already takes place, efforts shall be made to phase it out as quickly as possible. At the same time, the children concerned shall be given the possibility of earning a livelihood and acquiring an education until they are no longer of compulsory school age.

4. Discrimination (*ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women*)
 - 4.1 There shall be no discrimination in working life based on ethnicity, religion, age, disability, gender, marital status, sexual orientation, trade union membership or political affiliation.
 - 4.2 Measures shall be established to protect employees from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.
 - 4.3 All workers with the same experience and qualifications shall receive equal pay for equal work.

5. Harsh or inhumane treatment
 - 5.1 Physical abuses or punishment or the threat of physical abuse shall be prohibited. The same applies to sexual or other abuse, and to other types of humiliation.

6. Occupational health and safety (*ILO Convention No. 155 and ILO Recommendation No. 164*)
 - 6.1 The working environment shall be safe and conducive to good health, bearing in mind the prevailing knowledge of the industry and of any specific hazards.
Necessary measures shall be implemented to prevent and minimise accidents, injuries and damage to health as a result of or related to conditions at the workplace.
 - 6.2 Employees shall receive regular, documented health and safety training. Health and safety training shall be repeated for new employees.
 - 6.3 Employees shall have access to clean sanitary facilities and clean drinking water. If necessary, the employer shall also ensure access to facilities for safe food storage.
 - 6.4 If the employer provides accommodation, it shall be clean, safe and adequately ventilated, and have access to clean sanitary facilities and clean drinking water.

7. Wages (*ILO Convention No. 131*)
 - 7.1 Employees' wages shall at least be in accordance with national provisions concerning minimum wages or industrial standards, and shall always be sufficient to cover fundamental needs.
 - 7.2 Wages, as well as the modalities of how and when wages are to be paid, shall be agreed in writing before work begins. The contract shall be comprehensible to the employee.
 - 7.3 It is prohibited to use wage deductions as a disciplinary measure.

8. Working hours (*ILO Convention No. 1 and 14*)
 - 8.1 Working hours shall be in accordance with national legislation or industrial standards and shall not exceed the working hours laid down in current international conventions. It is recommended that working hours do not exceed 48 hours per week (8 hours per day).
 - 8.2 Employees shall have at least one free day per week.
 - 8.3 Overtime shall be voluntary and is recommended to be limited to maximum 12 hours per week.
 - 8.4 Employees shall always receive overtime pay, as a minimum in accordance with current legislation.

9. Regular employment

- 9.1 Obligations to employees in accordance with international conventions and/or national legislation and regulations concerning regular employment shall not be avoided by using short-term contracts (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.
- 9.2 All employees are entitled to a job contract written in a language they understand.
- 9.3 The duration and content of apprenticeship programmes shall be clearly defined.

CONDITIONS OUTSIDE THE WORKPLACE

10. Use of resources and impact on the local community

- 10.1 No form of environmental criminal activity or ruthless exploitation of resources shall take place in the local environment.
- 10.2 The local environment at the production site shall not be excessively exploited or degraded by pollution. Hazardous chemicals and other harmful substances shall be carefully managed.
- 10.3 In cases of conflict with local communities concerning the use of land or other natural resources, the parties shall, through negotiation, ensure respect for individual and collective rights to land and other resources based on common custom or tradition, including in cases where such rights have not been formally registered.
- 10.4 Production and the extraction of raw materials for production shall not contribute to the destruction of the resource and income base for marginalised population groups, for example by laying claim to large land areas or other natural resources upon which such population groups depend.

ENVIRONMENT AND ANIMAL WELFARE

11. National and international environmental legislation and regulations

- 11.1 Production shall not conflict with national or international environmental legislation and regulations.
- 11.2 Necessary emission and discharge permits shall be obtained where required.
- 11.3 Environmental aspects should be taken into consideration throughout the production and distribution chain, from the production of raw materials to the sale of end-user products, and shall not be limited to the company's own operations and suppliers. As far as possible, local, regional and global environmental issues shall be taken into account.

12. Animal Welfare

- 12.1 When manufacturing products stemming from animals, considerations to animal welfare shall be taken in the entire value chain.

In some cases, political or cultural circumstances may make it difficult to comply with certain standards or to obtain the identities of or contact with all subcontractors. In such cases, NorgesGruppen will be open to discuss an alternative approach.