



OLAV THON GRUPPEN

Code of Conduct for Suppliers

Introduction

The Olav Thon Group takes a systematic approach to its work on sustainability and corporate social responsibility. This also forms part of its commitments under the UN Global Compact, the UN Sustainable Development Goals, and reporting in accordance with the GRI Standards. As part of this work, the Olav Thon Group stipulates requirements for its suppliers.

The Olav Thon Group shall respect fundamental requirements regarding human rights, labour rights, anti-corruption, and the environment in all of its operations and in every link of its supply chain. It wants to do this in close cooperation and dialogue with its suppliers and partners. The code of conduct was produced in order to clarify what it expects of its suppliers. It covers fundamental requirements regarding human rights, labour rights, anti-corruption, and the environment in the supply chain.

The Olav Thon Group expects its suppliers to comply with the code of conduct, as well as apply it, or requirements that are at least equally comprehensive, to their sub-contractors and assist them with their compliance.

Requirements – own business

The Olav Thon Group constantly strives to improve its policies and practices, including purchasing practices, with the aim of ensuring that suppliers comply with its code of conduct, in dialogue with suppliers and other stakeholders.

The Olav Thon Group, including all employees, shall never offer or receive illegal or inappropriate monetary gifts or other remuneration to achieve private or business benefits in their own interest or in the interest of customers, agents or suppliers.

The Olav Thon Group and the Olav Thon Group's suppliers, shall avoid trading with partners that have activities in countries where a trade boycott is imposed by the UN and/or Norwegian government authorities.

The Olav Thon Group shall continuously work on basic human rights and decent working conditions in accordance with the Transparency Act.

Monitoring compliance with the code of conduct

The Olav Thon Group conducts regular risk assessments and due diligence assessments of its supply chains and will follow up industries, countries, and sub-contractors as necessary to ensure ethical practices throughout its chain. Suppliers have a duty to cooperate with such monitoring and respond candidly with respect to their procedures and knowledge about their supply chain.

When requested to do so by the Olav Thon Group, suppliers must be able to document how they, and any sub-contractors, work to comply with the code of conduct. This may be done via questionnaires, follow-up interviews with the Olav Thon Group, and/or surveying work conditions at the place of production. If the Olav Thon Group wants to survey subcontractors' compliance with the code of conduct, suppliers have a duty to permit such surveys and provide the names and contact information of the sub-contractors.



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In the event of breaches of the code of conduct, suppliers must, in collaboration with the Olav Thon Group, draw up a plan for the remediation of any deficiencies. This remediation must take place within a reasonable period of time, although the Olav Thon Group may also set a deadline for the remediation.

The Olav Thon Group's suppliers must have a well-functioning system for handling complaints relating to human rights, labour rights, corruption, and the environment. Suppliers must ensure that such complaints can be made by workers and external parties such as local communities and civil society organizations.

Requirements – conditions in the supply chain

The Olav Thon Group's suppliers and contract partners must respect fundamental requirements regarding human rights, labour rights, anti-corruption, and the environment. Goods supplied to the Olav Thon Group must be produced under conditions that are compatible with the requirements listed below. The requirements are based on key OECDs guidelines for multinational enterprises, UN conventions, ILO conventions, and national legislation at the place of production. Where national laws and regulations address the same subjects as these guidelines, the most stringent shall apply.

1. Protect human rights (OECDs guidelines for multinational enterprises IV. 1-6)

- 1.1. Human rights shall be respected. The supplier shall avoid infringing on the human rights of others and shall address negative human rights consequences with which they are involved.
- 1.2. The supplier shall not cause or contribute to negative human rights consequences within the context of their own activities and address such consequences when they occur.
- 1.3. The supplier shall prevent or limit negative human rights consequences directly linked to their own business operations, products or services through business relationships.

2. Forced and compulsory labour (ILO Conventions Nos. 29 and 105, OECDs guidelines for multinational enterprises V. 1d)

- 2.1. There shall be no forced, bonded or involuntary prison labour.
- 2.2. Workers shall not be required to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice.
- 2.3. The supplier shall contribute to the elimination of all forms of forced or compulsory labour and take adequate steps to ensure that forced or compulsory labour does not exist in their operations.

3. Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154)

- 3.1. Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, obstruct, the formation of unions or collective bargaining.
- 3.2. Workers' representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.
- 3.3. Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

4. Child Labour (UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, and ILO Recommendation No. 146, OECDs guidelines for multinational enterprises V. 1c)

- 4.1. The minimum age for workers shall not be less than 15 and comply with



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- i) the national minimum age for employment, or;
 - ii) the age of completion of compulsory education, whichever of these is higher. If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- 4.2. There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
 - 4.3. No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.
 - 4.4. Policies and procedures for remediation of child labour prohibited by ILO conventions no. 138 and 182, shall be established, documented, and communicated to personnel and other interested parties. Adequate support shall be provided to enable such children to attend and complete compulsory education.
 - 4.5. This shall contribute to effective abolition of child labour and take immediate and effective actions to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency.

5. Discrimination (ILO Conventions Nos. 100 and 111, and the UN Convention on Discrimination Against Women, OECDs guidelines for multinational enterprises V. 1e))

- 5.1. There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, caste, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- 5.2. Measures shall be established to protect workers 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.

6. Harsh or Inhumane Treatment (UN Covenant on Civil and Political Rights, Art. 7)

- 6.1. Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

7. Health and Safety (ILO Convention No. 155 and ILO Recommendation No. 164)

- 7.1. The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 7.2. Workers shall receive regular and documented health and safety training, and such training shall be repeated for new or reassigned workers.
- 7.3. Access to clean toilet facilities and to potable water, and if appropriate, sanitary facilities for food storage shall be provided.
- 7.4. Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

8. Wages (ILO Convention No. 131)

- 8.1. Wages and benefits paid for a standard working week shall as minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.
- 8.2. All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.



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8.3. Deductions from wages as a disciplinary measure shall not be permitted.

9. Working Hours (ILO Convention Nos. 1 and 14)

- 9.1. Working hours shall comply with national laws and benchmark industry standards, and not more than prevailing international standards. Weekly working hours should not on a regular basis be more than 48 hours.
- 9.2. Workers shall be provided with at least one day off for every 7 day period.
- 9.3. Overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this are accepted when regulated by a collective bargaining agreement.
- 9.4. Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 8.1 above), minimum in accordance with relevant legislation.

10. Regular Employment (ILO Convention Nos. 95, 158, 175, 177 and 181, OECDs guidelines for multinational enterprises V. 5)

- 10.1. Obligations to employees under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.
- 10.2. All workers are entitled to a contract of employment in a language they understand.
- 10.3. The duration and content of apprenticeship programmes shall be clearly defined.
- 10.4. In their operations, to the greatest extent possible, the supplier should employ local workers and provide training with a view to improving skill levels.

11. Workers in other countries (OECDs guidelines for multinational enterprises V. 4)

- 11.1 Standards for working conditions and the relationship between employer and employee shall not be less favourable than those for comparable employers in the host country.
- 11.2 When the supplier operates in developing countries, where comparable employers may not exist, they shall provide the best possible wages, benefits and working conditions, in accordance with government policies.
- 11.3 The supplier shall take adequate steps to ensure occupational health and safety in their operations.

12. Marginalized Populations (UN Covenant on Civil and Political Rights, Arts. 1 and 2)

- 12.1. Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

13. Environment

- 13.1. Measures to minimize adverse impacts on human health and the environment shall be taken throughout the value chain. This includes minimizing pollution, promoting an efficient and sustainable use of resources, including energy and water, and minimizing greenhouse gas emissions in production and transport. The local environment at the place of production shall not be overworked or damaged by pollution.
- 13.2. National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained.
- 13.3. Suppliers have a duty to provide, at their own expense, the environmental information the Olav Thon Group requires to meet its reporting obligations pursuant to the Norwegian Accounting Act. In the



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case of those Olav Thon Group companies that are Eco-lighthouse certified, suppliers have a duty to ensure that all parts of their deliveries satisfy the requirements stipulated for such certification.

- 13.4. It is a requirement that suppliers who deliver packaged goods must be members of the materials companies' schemes, such as Grønt Punkt Norge, or be affiliated with, or operate their own, equivalent approved scheme for collecting and recovering packaging waste. If a supplier maintains that their company has no activities that require membership of the materials companies' schemes, the Olav Thon Group may require a written declaration from the supplier concerning this.

14. Corruption

- 14.1. Corruption in any form is not accepted, such as the use of alternative channels to secure improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials.
- 14.2. When requested to do so, suppliers shall disclose their policies for the acceptance and giving of gifts, trips, etc., as well as their whistleblowing procedures.
- 14.3. Suppliers must clearly differentiate between companies and employees, and, unless otherwise is specifically agreed, this agreement shall not bind the supplier in relation to employees of the Olav Thon Group. The Olav Thon Group will never make a continued contractual relationship conditional on a supplier's willingness to offer favourable prices to the Olav Thon Group's employees.

15. Animal welfare

- 15.1. Animal welfare must be safeguarded throughout the value chain when producing animal products.