

APPENDIX 14

THE VY GROUP'S SUPPLIER CODE OF CONDUCT

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THE VY GROUP'S SUPPLIER CODE OF CONDUCT

1. THE PURPOSE OF THE VY GROUP'S CODE OF CONDUCT FOR SUPPLIERS

The Vy Group considers ethical and responsible conduct to be binding for the entire Group and strives to have a sustainable business practice that respects people, animals, society, and the environment. Our policy for responsible business conduct forms the basis for our work with ethical and responsible conduct, also in the supply chain, and is available on our website. The purpose of the Vy Group's Supplier Code of Conduct is to ensure that all who supply goods and services to the Group are equally aware and obligated by these matters.

Our Suppliers and partners shall work purposefully and systematically to comply with these requirements and show willingness and ability to continuous improvement for people, animals, society, and the environment. The requirements stated in the Supplier Code of Conduct applies to all Suppliers and their sub-Suppliers and form part of the Vy Group's contract with the Suppliers.

The Supplier is responsible for complying with these requirements both in their own business and in their supply chain. The Supplier is obliged to provide employees and sub-Suppliers with sufficient and necessary introduction to the Vy Group's Supplier Code of Conduct so that everyone involved in carrying out work for the Vy Group has knowledge and understanding of these.

2. DUE DILIGENCE ASSESSMENTS

The Supplier shall have an overview of their supply chain, conduct and actively work with due diligence assessments in line with the OECD guidelines to prevent breaches of Vy Group's code of conduct for Suppliers. Actively working with due diligence assessments involves conducting own risk assessments for negative impacts on people, society, and the environment, and to stop, prevent, and reduce such impacts. The measures put in place shall be monitored and their effect evaluated and communicated to those affected. Where the Supplier is responsible for the negative impact/damage, the Supplier is also responsible for remediation.

The Supplier shall have a system for handling complaints related to human rights, labour rights, the environment, and corruption.

3. FUNDAMENTAL HUMAN RIGHTS AND WORKERS' RIGHTS

3.1. General information

The Supplier shall ensure that its business does not directly or indirectly violate fundamental human and workers' rights, as set out in:

The UN Universal Declaration of Human Rights

The eight ILO core conventions and other relevant ILO conventions, cf. point 3.8

The national legislation on labour rights in the country of production.

The requirements indicate minimum standards. Where national laws and regulations cover the same topic as specified in this document, the highest standard shall apply.

3.2.Child Labor

The Supplier shall respect and comply with the provisions set down in the UN Convention on the Rights of the Child Article 32, ILO Conventions No. 138 on Minimum Age, No. 182 on Child Labor, No. 79 on the Recruitment of Child Labor, and ILO Recommendation No. 146 on Child Labor. As part of this:

- The minimum age for workers shall not be less than 15 and comply with the national minimum age for employment or the age of completion of compulsory education. The highest age shall apply.
- There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
- No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety, or morals, including night work.
- In case of deviations, action plans shall be established and support schemes for the rapid phasing out of child labour in violation of ILO Conventions 138 and 182 shall be arranged. The action plans shall be documented and communicated to relevant stakeholders.

3.3.Forced Labor/Slave Labor

The Supplier shall comply with ILO Conventions No. 29 on Forced Labor and No. 105 on Slave Labor, i.e. by ensuring that they do not contribute to forced labour, slave labour, or involuntary labour. As part of this:

- All workers within the supply chain shall be free to terminate their employment relationship, subject to a reasonable notice period.
- The Supplier shall not seize workers' identification documents or require deposits.

3.4. Discrimination

The Supplier shall comply with ILO Conventions No. 100 on Equal Remuneration and No. 111 on Discrimination, and the UN Convention on the Elimination of All Forms of Discrimination Against Women. As part of this:

- The Supplier shall ensure that there is no unjustified or illegal discrimination in employment, remuneration, training, promotion, dismissal, or retirement based on gender, ethnicity, caste, religion, age, or other grounds.
- Protection against sexually intrusive, threatening, insulting, or exploitative behaviour shall be established.

3.5.Marginalized Populations

The Supplier shall comply with the UN International Covenant on Civil and Political Rights, Articles 1 & 2.

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.

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

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.

3.7. Freedom of Association and the Right to Collective Bargaining

The Supplier shall comply with ILO Conventions No. 87 on Freedom of Association, No. 98 on the Right to Organize and Collective Bargaining, and Nos. 135 and 154. As part of this:

- 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.
- Workers' representatives shall not be discriminated against and shall have access to carry out their representative functions in the workplace.

In the event that the freedom of organization and/or collective bargaining are restricted by national law, the Supplier shall nevertheless facilitate and not hinder alternative forms of free and independent workers' representations and negotiation, as far as it is lawful in the country of production.

3.8. Other Relevant ILO Conventions

The Supplier shall comply with the following ILO conventions and recommendations:

- ILO Convention No. 155 and Recommendation No. 164 on Occupational Health and Safety
- ILO Convention No. 131 on Minimum Wage
- ILO Conventions No. 1 and 14 on Working Hours.
- ILO Conventions No. 95, 158, 175, 177, and 181 on Regular Employment

3.9. Compliance with national legislation on labour rights in the country of production

The Supplier shall comply with the labour legislation in the production country and/or where the service is performed.

Particularly relevant aspects include:

- 1) wage and working time provisions sufficient to cover basic needs,
- 2) occupational health, environment, and safety,
- 3) regular employment conditions, including employment contracts, and
- 4) statutory insurance and social schemes.

3.10. Privacy

The Supplier shall respect the privacy of workers and third parties and shall not record or monitor such parties unless this is in accordance with legislation in the countries in question.

4. ENVIRONMENT

The Supplier shall ensure minimal negative environmental impact throughout the value chain and shall comply with relevant national and international environmental standards. The Supplier shall actively work to minimize greenhouse gas emissions and local pollution, the use of harmful chemicals, pesticides, environmental risks, and other climate and environmental challenges

related to their own business and in the supply chain. Relevant emission permits shall be obtained where applicable. Where the Supplier has operations with significant environmental impact and/or environmental risk, the Supplier shall have a publicly available environmental policy.

In cases where the Supplier is subject to the waste regulations, The Supplier shall be a member of accredited return schemes.

5. BUSINESS ETHICS AND CORRUPTION

5.1. Business Ethics

The Supplier shall comply with general requirements related to good business practices, professionalism, and accountability in the implementation of their activities. The Supplier shall comply with legislation on all relevant areas, including taxes and duties, and competition law.

5.2. Corruption and Impartiality

The Supplier shall actively and continuously work to eliminate extortion, corruption, and money laundering in their own business and supply chain. The Supplier shall ensure investigations of circumstances where it is reasonable to assume that such may have occurred.

The Supplier shall comply with requirements for impartiality and report cases of possible conflicts of interest. The Supplier shall immediately report if there is a possible conflict of interest between the Vy Group and the Supplier themselves or a third party the Supplier has a relationship with. By relationship, this particularly means ownership or contractual relationship.

The Supplier shall not attempt to influence decisions by offering gifts or other benefits to employees/representatives in the Vy Group.

6. ANIMAL WELFARE

The Supplier shall respect animal welfare. Measures should be taken to minimize any negative impacts on the welfare of livestock and working animals. National and international animal welfare legislation and regulations shall be respected.

7. TRADE BOYCOTT

The Supplier shall avoid trading with partners that have activities in countries where a trade boycott is imposed by the UN and/or Norwegian Government authorities.

8. CONTRACT FOLLOW-UP AND DOCUMENTATION OF COMPLIANCE

The Vy Group, or a third party engaged by the Group, shall be entitled to conduct the necessary follow-up measures with the Supplier and their sub-suppliers to ensure compliance with Vy Group's Supplier Code of Conduct. The Supplier shall, upon request from Vy, document how they themselves, and potential sub-Suppliers, work to comply with the requirements in this document.

Relevant follow-up measures the Vy Group may use can include, but are not limited to:

- The use of self-assessment forms and follow-up meetings/conversations,
- Documentation of production units within the supply chain for selected risk products, components, and/or raw materials,
- Documentation of risk assessments and follow-up measures within the supply chain, and
- Inspection/audit in the supply chain. This includes on-site audits with the Supplier or in the Supplier's supply chain.

In cases where return scheme membership or similar is required, documentation of such membership shall be submitted upon request.

9. VIOLATION OF THE SUPPLIER CODE OF CONDUCT

The Supplier is obliged to immediately notify the Vy Group the event of any violations of the Supplier Code of Conduct that the Supplier discovers within its own organization or at its sub-suppliers. The Supplier shall take immediate action to rectify any such violations. The Vy Group may demand that a corrective action plan (CAP) of when and how the violations will be rectified is to be submitted.

Violation of the Vy Group's Supplier Code of Conduct shall be regarded as material breach of contract and may result in the Vy Group:

- Implementing/imposing a temporary suspension to the delivery. During temporary suspension, the Vy Group is entitled to replacement purchases made from another supplier.
- Requiring the Supplier to change sub-suppliers. This shall take place without any cost to the Vy Group.
- Terminating the contract with the Supplier, cf. also the contractual provisions.
- Excluding the Supplier from qualifying for new tender competitions for contracts with the Vy Group.