

## SUPPLIER CODE OF CONDUCT

### 1. INTRODUCTION

This [update of the] Supplier Code of Conduct (SCoC) was resolved by the Board of Directors of [Company name] (the parent company of the [Group name]) on [date].

The Code is based on the ten Principles of the United Nations Global Compact concerning human rights, labour rights, environmental responsibility and anti-corruption<sup>1</sup>.

The SCoC applies to all business partners supplying material, labour or services (hereinafter referred to as “**Business Partners**”) to [Company name]. [Company name] does not want to be associated with partners lacking appropriate ethical standards. In order to do business with [Company name], Business Partners must therefore commit to adhering to the ethical standards set out herein.

The Business Partner acknowledges that it is liable to [Company name] for any damage suffered as a result of failure to comply with the obligations set out herein, and that [Company name] may immediately terminate the business relationship in case of violations of this SCoC.

The Business Partner undertakes to implement procedures to ensure compliance with applicable laws and regulations as well as its obligations under this SCoC.

### 2. PURPOSE

This SCoC contributes to set the framework for the behaviour [Company name] expects of all our stakeholders in our worldwide chain of supply. [It is based on the [Company name] values - [Company values].]

The SCoC shall contribute to ensure that our Business Partners adhere to high ethical standards and integrity. Integrity in this context means “the quality of being honest and just in character”. Integrity is about attitude and behaviour. [Company name] has zero tolerance for illegal or unethical behaviour, and expects all of its Business Partners to commit to the same.

### 3. GUIDELINES AND FRAMEWORK

#### 3.1 Laws and regulations

[Company name]’s Business Partners shall always act in accordance with applicable laws and regulations. If a Business Partners’ own rules are stricter or more comprehensive than the applicable laws and regulations, and not in conflict with any applicable laws and regulations or this SCoC, the Business Partners’ own rules shall apply.

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<sup>1</sup> <https://www.unglobalcompact.org/what-is-gc/mission/principles> (last visited on 26 October 2020).

## 4. PEOPLE

### 4.1 Human rights

[Company name]'s Business Partners shall respect human rights, and always act in line with the rules and principles laid out in the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work<sup>2</sup> and the International Bill of Human Rights, and the OECD Guidelines for Multinational Enterprises<sup>3</sup>.

### 4.2 Prohibition of child labour

We do not accept any form of child labour or that children below the lawful minimum age for admission to employment are engaged in our or our Business partners' business. If persons below the age of 18 are involved, we demand special precautions to safeguard their health, security and rights. Persons below the age of 18 shall not perform dangerous or night time labour, and their work shall not inflict damage on their education or development. [Company name] and its Business Partners fully support, and will act in accordance with, the UN Convention on the Rights of the Child<sup>4</sup>.

### 4.3 Labour rights, health and safety

[Company name] does not accept any involuntary labour, and expects all its Business Partners to comply with all fundamental labour rights and applicable laws and regulations. Business Partners shall ensure fair salaries, safe working conditions (including necessary supervision and protection from fire and other dangers), the right to organize, a good workplace environment, and have in place a whistleblowing procedure for the reporting concerns by employees.

### 4.4 Hazardous substances and conflict materials

[Company name] and its Business Partners shall comply with applicable laws and regulations regarding the use, prohibition and restriction of hazardous substances and shall avoid the use of conflict materials, i.e. materials that originate from conflict areas and contribute to fund governments and movements which violate fundamental human rights.

### 4.5 Discrimination and harassment

Any kind of discrimination due to gender, ethnicity, national origin, descent, skin colour, language, religion, sexual orientation, family situation or disability is not accepted in [Company name] or any of its Business Partners. All people shall at any time be treated with respect and dignity.

## 5. ENVIRONMENT

[[Company name] applies guidelines based on the environmental standards incorporated in the Ten Principles of the UN Global Compact<sup>5</sup>.] [Company name] expects its Business Partners to be committed to environmental sustainability by continuously improving energy efficiency

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<sup>2</sup> <https://www.ilo.org/declaration/lang--en/index.htm> (last visited on 26 October 2020).

<sup>3</sup> <https://www.oecd.org/corporate/mne/> (last visited on 26 October 2020).

<sup>4</sup> <https://www.ohchr.org/en/professionalinterest/pages/crc.aspx> (last visited on 26 October 2020).

<sup>5</sup> <https://www.unglobalcompact.org/what-is-gc/mission/principles> (last visited on 26 October 2020).

and minimizing discharge, emissions and waste, and to otherwise adhere to applicable laws and regulations to minimize environmental impact and prevent danger to the environment.

Business Partners shall have the necessary permits to conduct their business and comply with applicable law and regulations related to all use of products, chemicals and equipment in their business. Business partners are expected to have in place appropriate measures to avoid injury to persons.

#### 5.1 Anti-bribery and corruption

[Company name] does not tolerate bribery or corruption in any form, neither in its own business activities nor of its Business partners. Bribery, corruption and facilitation payments (paying “a small token”, usually for services someone is entitled to receive) are strictly prohibited, whether with public officials or private business partners. Business Partners shall not directly or indirectly offer, give or accept any advantage which may be considered to be improper and shall at all times comply with applicable laws and regulations.

Under certain circumstances, it may be difficult to draw the line between acceptable and common advantages in a business relationship, e.g. a modest business lunch after a conference, and an improper advantage. For its own employees, [Company name] has therefore established guidelines such as:

- All gifts and hospitality, except promotional items of minimal value, given or received by [Company name] employees shall be [registered in the Company’s Gift and Hospitality Register / reported to [management/function]].
- Cash gifts are never allowed. Other gifts may only be given or accepted if they are considered to be of moderate value in a local context, and would usually be subject to pre-approval. [Gifts with a value exceeding [EUR 40] would as a general rule not be considered as being “of moderate value”.]
- Offering or accepting hospitality is only be acceptable where this has a clear business purpose, the host is present and the cost is reasonable.
- Travel and accommodation shall always be paid by the employer, not by a third party.

[Company name] expects its Business Partners to adhere to the principles set out above or to certify that they have adequate procedures in place to combat bribery and corruption.

#### 6. ANTI-MONEY LAUNDERING

Money laundering occurs when funds from illegitimate sources are channelled into legitimate business activities and the financial market. [Company name] opposes all forms of money laundering and expects its Business Partners to comply with all applicable anti-money laundering laws and regulations. This includes having adequate measures in place to allow for the identification and correct handling of potentially illegitimate funds, for example by the establishment of due diligence procedures for new business relationships. This includes adequate diligence on business partners by our Business Partners.

#### 7. TRADE SANCTIONS AND EXPORT CONTROL

Trade sanctions and export control regimes are becoming increasingly complex and are imposed on a variety of sectors, countries and persons. Such laws may impose restrictions on the sale, shipment, electronic transfer, provision, or disclosure of information, software,

goods, assets, funds, and services across national borders or involving parties subject to trade sanctions.

[Company name]'s Business Partners are expected to comply with trade sanctions and export control laws and regulations imposed by the UN, US and EU in addition to trade sanctions and export control regimes applicable to the business relationship between [Company name] and the Business Partner.

[Comment: The Company should consider to what extent other sanction regimes should be applied and highlighted here, whether directly applicable to an activity or not. (For example, EU, US and/or Norwegian sanctions.)

Please note that it is not uncommon for companies to have committed to complying with EU and US sanction regimes even where these are not applicable, for example in credit facilities. It is therefore recommended to assess whether the Company has any contractual obligations to comply with specific sanction regimes.]

## 8. FAIRNESS AND COMPETITION

[Company name]'s Business Partners shall at all times ensure to be trustworthy, honest and fair in all dealings and safeguard that possible conflicts of interest are handled appropriately.

[Company name] has no tolerance for violations of applicable competition laws and regulations in any country and expects fair competition among its Business Partners. This includes inter alia not taking part in or supporting illegal cooperation on pricing, illegal market sharing, abuse of a dominant position or any other activity that constitute breach of applicable competition laws and regulations. Business Partners shall also refrain from sharing sensitive information with third parties and particularly competitors.

## 9. HANDLING OF INFORMATION

### 9.1 Data protection, confidentiality and trade secrets

Business Partners are expected to comply with applicable laws and regulations with regard to data protection, confidentiality and trade secrets.

In particular, Business Partners shall not disclose sensitive business information or trade secrets provided to them by [Company name] regarding the company, its products and its operations to third parties, unless [Company name] has given its explicit written consent to the disclosure in question. [Company name] expects that such information is not passed on to any third party even after the business relationship has been terminated.

### 9.2 Responsible use of social media and other media communications

Social media channels such as Facebook, Instagram and LinkedIn allow for communication, promotion, discussions and information sharing and are increasingly used in business contexts. [Company name] expects its Business Partners to refrain from publishing information, logos or other material belonging to [Company name] without its express written consent. Neither should material that can be associated with [Company name] or its employees be published without the consent of [Company name] and parties involved. This applies, in principle, also to statements to the media.

**10. COOPERATION WITH THIRD PARTIES**

Business Partners shall, to the extent possible, promote the implementation of the principles set out in this SCoC by its own business relationships such as subcontractors, suppliers and third party representatives.

Furthermore, Business Partners shall ensure that they have adequate procedures for their cooperation with third parties, including, for example, appropriate due diligence before establishing a new business relationship. In any case, Business Parties are expected to ensure that their agreements with their business relations:

- (a) are in writing,
- (b) the services to be performed are specifically described, and
- (c) the compensation is considered proportional to the services received.

**11. REPORTING CONCERNS**

[Company name] encourages transparency and Business Partners and their employees are expected to report any concerns about potential violations of this SCoC or applicable laws and regulations to [insert name/position] with [Company name] without delay.

The information reported and the identity of the whistle blower will be treated confidentially to the extent possible and permitted by applicable laws and regulations. [Company name] will endeavour to protect whistle blowers against retaliation. [Company name] may, however, disclose information to competent authorities to the extent appropriate.

**12. AUDIT RIGHTS**

In order to ensure compliance with the SCoC and strengthen ethical conduct throughout its supply chain, [Company name] or any independent audit company mandated by it may, from time to time, perform an inspection/audit of the conduct of its Business Partners with or without prior notice. For this purpose, Business Partner shall immediately upon request share documentation on compliance with the SCoC and applicable laws and regulations and allow access to its premises.

**13. TERMINATION RIGHT**

[Company name] may decide to immediately terminate the business relationship with its Business Partner in the event of a violation of the SCoC or applicable laws and regulations by the Business Partner.

**14. UPDATE OF THE SCOC**

This SCoC shall be subject to continuous development and updates based on the at all times applicable laws and regulations, conventions, principles, standards and other relevant framework for ethical business conduct, as well as any areas of compliance and integrity risks identified for [Company name] and its Business Partners.

Business Partners shall collaborate in this work, by suggesting necessary amendments to [insert name/function] with [Company name] and by committing to adhere to the SCoC published by [Company name] on its homepage.

## Supplier Declaration

By signing this Declaration, I confirm that I have read and understood the rights and obligations set forth in the Supplier Code of Conduct available at [Company name]'s homepage, and I will endeavour to implement appropriate measures to ensure compliance with the Supplier Code of Conduct in all activities of the Business Partner I am signing for:

For and on behalf of

[Company name]

For and on behalf of

[Company name]

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Name:

Capacity:

Date:

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Name:

Capacity:

Date: