

# Moreld

## Business principles for suppliers and partners



# 1 Business Principles

The importance of business conduct, ethics and corporate responsibility is fundamental within the Moreld Group, and the business principles will govern the framework for actions, development and cooperation with all business contacts.

Our goal is to achieve understanding and knowledge of our requirements within areas such as sustainability, human rights, safe working conditions and business ethics.

Moreld's business principles applies to all business contacts, partners and suppliers and will form a part of the cooperative and purchasing processes including all agreements.

Suppliers shall as far as possible also ensure that all sub-contractors comply with the said principles. Breach of such compliance is considered as a deviation and will be handled with highest importance by the parties.

In 2015, the United Nations created 17 Sustainable Development Goals and aimed to achieve them by 2030. These 17 SDGs have been agreed upon by all 193 United Nations Member States with aims to end poverty, ensure prosperity, and protect the planet.

Moreld's business principles are based on an extract of the SDC's, with references when applicable.



# 2 Social Responsibility



## 2.1 Human rights

Suppliers shall support, respect and commit to the principles set out in internationally recognized social and ethical standards for the protection of human rights.

### 2.1.1 Freedom of association

Suppliers shall respect the right to freedom of peaceful assembly and to freedom of association with others, including the right to form and to join trade unions for the protection of his interests. These rights include those recognized for the purpose of collective bargaining, and to engage in constructive negotiations.

### 2.1.2. Forced labour

Suppliers shall not employ personnel against their will or require personnel to lodge identity papers or deposits (financial incl. recruitment fee or otherwise) as a condition of their employment. All personnel shall be free to leave their employment after giving reasonable notice. Suppliers must ensure their business operations are free from slavery and human trafficking practices whether in Norway or elsewhere, both internally and within their supply chains and other external business relationships.

### 2.1.3 Child labour / Young labour

Suppliers shall not employ children below the age of 15 or any higher minimum age for employment according to applicable laws. Young workers below the age of 18 shall not undertake any hazardous work. If any child is found working at the premises of the Supplier and it is not according to the exceptions in the ILO convention on child labour (No. 138), steps shall immediately be taken to remedy the situation in accordance with the best interests of the child.

### 2.1.4 Working hours and wages

Wages and benefits paid for a standard working week must comply with national legislation. Suppliers shall secure that the employees' working hours including overtime must be in compliance with local law requirements. Payments are to be made timely, in legal tender and fully documented.

## 2.1.5 Non-discrimination, gender equality and equal opportunities

Suppliers shall not support any form of discrimination or harassment including, but not limited to race, colour, gender, sexual orientation, language, religion, political or other opinion, national or social origin. Suppliers shall promote equality of opportunity or treatment in employment and occupation. All personnel shall be treated with respect and dignity, and the supplier shall refuse to tolerate any unacceptable or degrading treatment, including mental cruelty, sexual harassment or discrimination gestures, language or physical contact that is sexual, coercive, threatening, abusive or exploitative.

## 2.1.6 Health and safety

Suppliers shall secure a healthy and safe working environment for all its personnel and follow prevailing regulatory standards and industry norms to minimize health and safety risks. This shall include compliance with applicable laws and regulations, international standards and the ILO Conventions on Occupational Health and Safety. Suppliers shall ensure that its personnel understand the hazards and safe practices for their work, and authority to refuse or stop unsafe work. Whenever necessary personnel are to be provided with, and instructed to use, appropriate personal protective equipment.

Suppliers shall provide adequate and regular training to ensure that personnel are adequately educated on health and safety issues.

Where suppliers provide accommodation for their personnel or sub-suppliers' personnel, it shall be clean, safe and meet the basic needs of the personnel, and, where applicable, for their families.

Suppliers shall have a system for workers to report health and safety incidents and near-misses, as well as a system to investigate, track, and manage such reports. Suppliers shall implement corrective action plans to mitigate risks, provide necessary medical treatment, and facilitate workers' return to work.

# 3 Anti-bribery and Anti-corruption (ABAC)



## 3.1 What is corruption?

Any personal benefit may potentially be considered as corruption

- Transferral of Cash
- Gifts, Dinners, Travel
- Favourable Investments
- Free use of property
- Paid training and/or trainee period

Corruption is not defined by whether such benefit is accepted or not. The key factor for an action to be considered as an act of corruption is whether the action is clearly out of range regarding general acceptance of the cooperation between the parties. We must consider Purpose of the action, Value of the benefit, Open/hidden action and General Business conduct. In general, all communications, actions and mutual benefits between the parties shall be transparent for everyone in the organisation.

## 3.2 Red Flags

Examples of red flags and end of the line-points

- Gifts
- Business with difficult accessible business structures
- Use of third party for financial transactions
- Cash transfer to accounts in tax havens
- Unclear invoices
- Cash payment and Cash back arrangements

## 3.3 What are acceptable actions?

- Free training where accommodation and travel is paid by the participant
- Arrangements with a clear business profile
- Actions in accordance with rules set forth by treasury
- Arrangements with reasonable standards
- Arrangements partly paid by the participating party
- Low value gifts relevant to the business cooperation
- General business invites to arrangements compared to named persons.

## 3.4 How to Conduct

- In all matters we will be polite, professional and transparent
- Our business contacts shall always be certain of our position with regards to corruptions
- The business contacts represent the company and our principles in all actions internally and externally, and are responsible for gaining sufficient knowledge and training suitable for the work we perform
- We will not receive and accept benefits from a business contact based on our role in the business

## 3.5 Business conduct training

- Each business contact shall perform all training related to corruption set forth by the Human Resources Department, or by whoever the Human Resources Department delegates such task to. The CEO of each company has the overall responsibility for necessary training and is responsible for the employees' behaviour.
- All records for training within business conduct at the supplier and/or business contact shall be filed and accessible to relevant resources and authorities, and statistics-overview of training may be required by the Supply Chain

## 3.6 Sub-tiers flow-down

The supplier is responsible for its own supply chain and to ensure that these requirements are communicated and approved .

All suppliers and business contacts shall commit to the anti-bribery and anti-corruption policy and take all possible actions to mitigate the risk for corruption.

# 4 Sustainable Development



## 4.1 Suppliers shall take precautionary approaches to environment challenges.

Suppliers shall work to minimize their environmental impact and continuously improve their environmental performance and ensure that their operations comply with all applicable environmental legislations and prevent and mitigate environmental and health risks (hazardous materials, radiation, etc.)

## 4.2 Use of limited and/or restricted minerals

Suppliers must comply with applicable laws and regulations regarding restricted minerals, including (but not limited to) tin, tungsten, tantalum and gold. Additionally, suppliers should establish a policy to reasonably assure that such material, which may be contained in the products they manufacture, do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses. Suppliers should exercise, as may be directed by law, due diligence on the source and chain of custody of these minerals and therefore at a minimum require the same from their sub-tier suppliers.

## 4.3 Carbon footprint

Based on the UN national sustainable development goal no. 12, suppliers shall be aware of the impact and carbon footprint their manufacturing, production logistics and own supply chain make.

## 4.4 Sustainable production

Our suppliers shall, through the mobilization of financial and technical assistance, strengthen their own scientific, technological and innovative capacities to move towards more sustainable patterns of consumption and production.

## 4.5 Environmental policy

To prevent pollution and improve environmental influence, suppliers shall have an environmental policy in place which complies as a minimum to local legislation.

### Key areas are:

- Pollution
- Waste management
- Emergency plan
- Hazardous substances
- Risk Management
- Such environmental policy shall be in writing, published within the company and be available for audit upon request.



## Sustainability

Our activities will serve the environment, not harm it. Sustainability is core to everything we do