



HBV Supplier Code of Conduct

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Ver.rev:	Appendix:	

HBV Supplier Code of Conduct

Introduction

This Supplier Code of Conduct contains minimum requirements for HBV's suppliers with regards to human rights, environmental-, social-, work environment- and labour law obligations. The Supplier Code of Conduct has been established to clarify and assure HBV's approach to social responsibility in relation to HBV's suppliers and their subcontractors, including consultants, employees and other stakeholders.

HBV expects all suppliers to adhere to and respect the requirements in this Supplier Code of Conduct from the contract's effective date onwards. The requirements in the Supplier Code of Conduct are based on international instruments such as UN Global Compact's ten principles, the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, the ILO's Core Conventions on labour standards, the Rio Declaration on Environment and Development as well as the UN Convention against Corruption.

By signing the framework agreement, the supplier guarantees that the requirements in this Supplier Code of Conduct will be adhered to at the contract's effective date at the latest.

Compliance with applicable law

HBV's suppliers and their sub-contractors shall comply with applicable legislation, throughout their operations, in each country in which they are active. If a conflict exists between the Supplier Code of Conduct and national law, the law prevails. If national law stipulates a lower level of protection, the above-mentioned international standards shall constitute a minimum level of protection.

Human rights and labour rights

HBV's suppliers and their sub-contractors shall support and promote the respect of human rights.

Discrimination

All employees shall be treated equally, fairly and with respect regardless of; sex, age, marital status, transgender identity or expression, ethnicity, nationality or national origin, religion or other belief, disability or sexual orientation.

Child labour

HBV does not accept any form of child labour. According to this Supplier Code of Conduct, a child is a person under the age of 15. If national legislation in the country of operations stipulates a higher minimum age for minors to access the workplace, these provisions should apply. If the working age limit is 14 years, in accordance with ILO's convention 138 article 2.4, 14 years shall apply as minimum age, however, this age limit shall apply only in exceptional cases.

In accordance with ILO Convention 138 article 6, children can be allowed to work full time if the nature of the work is related to education, e.g. a trainee position, and takes place over a shorter period of time. Persons under the age of 18 shall not perform tasks that pose an increased risk to their health, safety or morality or that compromise their education.

Forced labour, freedom of movement and employee rights

All forced labour, involuntary work, unpaid work and so-called modern slavery, such as trafficking, is illegal. All employees are entitled to a contract of employment, written in a language that they understand. Workers shall enjoy freedom of movement, i.e. the right to leave the work area after working hours, during their employment. The employer shall not seize possessions, identity documents or withhold salary payments. Employees shall not be subject to physical punishment or any other form of physical, sexual or psychological punishment or harassment.

Working hours and remuneration

Regular working hours may not exceed the number of working hours permitted in the national legislation of each country. Regular working hours may not exceed 48 hours per week, or 60 hours per week including 12 hours of overtime, unless national legislation states otherwise. Overtime shall be voluntary and overtime compensation shall be in accordance with national legislation of each respective country. Salaries, including overtime and other work benefits must amount to or exceed the minimum level of remuneration according to applicable law. Salaries must be paid on a regular and timely basis. Employees shall be entitled to a minimum of one day's leave in each seven-day period and at least three week's holiday, to take lawful leave and sick leave.

Work environment

HBV's suppliers shall ensure that work is planned and arranged so that it can be carried out in a healthy and safe environment in accordance with applicable legislation, for example:

- Workers shall not carry out dangerous work without adequate protection or safety equipment.
- The work space shall be organised and furnished in a way that is suitable from a work environment and fire safety perspective.
- The hygienic conditions at the workplace with regards to air and light shall be satisfactory.
- Substances that may cause ill-health or accidents may only be used under conditions that provide adequate safety.
- Machines and other technical devices must be placed and used in such a way that adequate safety is ensured to prevent accidents.
- Employment housing, if provided, shall constitute a healthy and safe environment.

Freedom of association and the right to collective bargaining

Workers have freedom of association at all levels. HBV's suppliers shall not prevent employees who wish to join associations, organisations or negotiate collectively. It is the employee's decision entirely whether he / she wants to join an association or negotiate collectively. In countries where the freedom of association is limited or under development, the supplier must ensure that a representative, freely chosen by the workers, can meet with management and discuss workplace

issues without negative consequences.

Environment

HBV's suppliers shall comply with applicable environmental legislation in the country in which they operate, observe the precautionary principle and actively work to reduce negative environmental impact. HBV's suppliers shall have knowledge about and control over their own environmental impact based on for example water consumption, chemical consumption and greenhouse gas emissions.

Anti-corruption

HBV's suppliers have a process/policy in place to combat all forms of corruption including extortion and bribery. HBV's suppliers shall have, or establish a whistleblowing function.

Implementation and application

HBV's suppliers shall have routines in place for communicating and implementing the requirements of the HBV Supplier Code of Conduct, or equivalent requirements adopted in their own operations, in their supply chain. HBV's suppliers must be able to show that they are compliant with HBV's Suppliers Code of Conduct. HBV's suppliers are obliged to report all deviations from this Supplier Code of Conduct to HBV. The report to HBV can be in the form of an action plan. It is the responsibility of the supplier to communicate the requirements of this Supplier Code of Conduct to all of their potential subcontractors.

Audits, follow-up and compliance

HBV reserves the right to carry out on-site audits of HBV's suppliers and subcontractors. As an alternative or supplement to audits, HBV reserves the right to distribute questionnaires to HBV's suppliers. Questionnaires must be answered and returned to HBV within 15 working days. HBV will then carry out a Code of Conduct compliance assessment. Upon request, HBV's suppliers shall state the names and addresses of the subcontractors they use and must be able to provide documentation from completed controls and on-site audits in their own operations or in the operations of their subcontractors. HBV has the right to hire an independent party to carry out audits or distribute questionnaires. Deviations from this Supplier Code of Conduct shall be reported to HBV during the contract period, be remedied and subsequently followed up by HBV.

Violations

If a HBV-supplier violates this code and does not take corrective action within a reasonable time of HBV's written request, HBV is entitled to terminate the contract.