

Guidelines for suppliers to Unger Fabrikker AS

Adopted by Unger Fabrikker AS Last amended (04.05.26)

Introduction

Unger Fabrikker works to maintain a sustainable business practice that respects people, society and the environment, and we have therefore developed guidelines for suppliers as a complement to our own policy. In order to achieve a sustainable business practice, we wish to cooperate closely with our suppliers and business partners. Cooperation in the supply chain is a prerequisite for responsible business practice and for achieving the UN Sustainable Development Goals. In order to live up to our values, we have implemented the OECD Guidelines for Due Diligence¹ in our routines, so that we, together with the value chain, can improve and work towards even more responsible production. Our supplier code sets expectations for both our own operations and our suppliers, and reflects our priorities related to working conditions, health, safety and the environment. The code is based on internationally recognised conventions from the UN and the ILO and establishes a minimum level. Applicable labour legislation at the place of production shall be respected. Where national laws and regulations cover matters also addressed by this code, the strictest standard shall apply.

Commitment

Unger Fabrikker's suppliers shall deliver goods and services that are produced in accordance with this Code of Conduct. Unger Fabrikker's SCoC applies to all suppliers and factories that produce goods for Unger Fabrikker. We require suppliers to review this Code of Conduct before samples or price quotations are provided, in order to ensure that the requirements are understood and will be followed. Furthermore, we expect suppliers to share this Code of Conduct with their employees, communicate it further to sub-suppliers and actively work to ensure compliance also in the next tier of the value chain. Unger Fabrikker recognises that value chains can be complex and that this can make it challenging to have full insight into labour and environmental conditions. Nevertheless, we expect suppliers and business partners to take systematic and targeted measures to ensure compliance. Unger Fabrikker will support suppliers in this work.

Requirements for own operations – Unger Fabrikker

Our [Ethical Guidelines for Sustainable Business Practices](#) form the basis for our work on sustainability, also in the supply chain. We strive to improve our own policy and practice where relevant. You can find more information about our sustainability work here: Sustainability - [Unger Fabrikker AS](#)

Our suppliers and partners can expect from us that our business and procurement practices strengthen, and do not undermine, their ability to meet the requirements we set for conditions affecting people, society and the environment. Unger Fabrikker always strives for cooperation as a starting point. However, we will terminate business relationships or other cooperation if our supplier or partner does not meet our expectations for sustainable business practices.

Requirements for conditions in the supply chain

We expect our suppliers and partners to work in a targeted and systematic manner to comply with our supplier guidelines, including principles for sustainable business practices, which cover basic

¹ OECD National Contact Point for Responsible Business Conduct, "OECD Due Diligence Guidance for Responsible Business Conduct – an introduction", 2018.

requirements related to human rights, labour rights, anti-corruption, animal welfare and the environment. Our suppliers shall:

- Follow the supplier guidelines, including principles for sustainable business practices.
- Actively work with due diligence, meaning carry out their own risk assessments for negative impacts on people, society and the environment, and stop, prevent and mitigate such impacts. The measures must be monitored and their effectiveness assessed and communicated to those affected. Where the supplier is responsible for the negative impact or harm, the supplier is also responsible for remediation.
- Demonstrate willingness and ability for continuous improvement for people, society and the environment through cooperation.
- At the request of Unger Fabrikker, document how they themselves, and any sub-suppliers, work to comply with the guidelines.
- If the supplier, after repeated inquiries, does not demonstrate willingness or ability to comply with the supplier guidelines, following dialogue and attempts at corrective measures, termination of contract may occur.
- Have a system for handling complaints related to human rights, labour rights, the environment and corruption.
- Avoid trading partners that have activities in countries subject to trade embargoes imposed by the UN and/or Norwegian authorities.

Transparency

The supplier shall be transparent about the place of production, origin and relevant conditions related to human rights, working conditions and the environment in the delivery. Upon request from Unger Fabrikker, necessary information and documentation shall be presented for the supplier and relevant sub-suppliers.

Expected follow-up from Unger Fabrikker

At the request of Unger Fabrikker, the supplier must be able to document how they themselves, and any sub-suppliers, work to comply with the guidelines. This may be done through follow-up meetings and/or mapping of working conditions at the place of production. If Unger Fabrikker wishes to map sub-suppliers with regard to compliance with the guidelines, the supplier is obliged to allow such mapping and to provide names and contact details of these.

Principles for sustainable business practices (Code of Conduct)

These principles for sustainable business practices are based on UN and ILO conventions and indicate minimum, not maximum, standards. Legislation at the place of production shall be respected. Where national laws and regulations cover the same subject as these guidelines, the highest standard shall apply.

1. Forced labour/slavery (ILO Convention No. 29 and 105)

- 1.1. There shall be no occurrence of any form of forced labour, slavery or involuntary labour.
- 1.2. Workers shall not be required to provide deposits or identity papers to the employer and shall be free to terminate their employment with reasonable notice.

2. Freedom of association and collective bargaining (ILO Convention No. 87, 98, 135 and 154)

- 2.1. Workers shall without exception have the right to join or establish trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, hinder or oppose unionisation or collective bargaining.

2.2. Trade union representatives shall not be discriminated against or prevented from carrying out their trade union work.

2.3. Where the right to freedom of association and/or collective bargaining is restricted by law, the employer shall facilitate, and not hinder, alternative mechanisms for free and independent organisation and bargaining.

3. Child labour (UN Convention on the Rights of the Child, ILO Convention No. 138, 182 and 79, ILO Recommendation No. 146)

3.1. The minimum age of workers shall not be less than 15 years and in line with the national minimum age for employment, or the minimum age for compulsory schooling, whichever is higher. Where the local minimum age is set at 14 years in accordance with the exception in ILO Convention 138, this may be accepted.

3.2. No new recruitment of child labourers in violation of the above minimum age shall take place.

3.3. Children under the age of 18 shall not perform work that is harmful to their health, safety or morals, including night work.

3.4. Action plans shall be established for the prompt phasing out of child labour in violation of ILO Conventions 138 and 182. The action plans shall be documented and communicated to relevant personnel and other stakeholders. Arrangements shall be made for support schemes where children are given the opportunity for education until the child is no longer of compulsory school age.

4. Discrimination (ILO Convention No. 100 and 111 and the UN Convention on the Elimination of All Forms of Discrimination against Women)

4.1. Efforts shall be made to ensure workers a safe and healthy working environment. Hazardous chemicals and other substances shall be handled responsibly. Necessary measures shall be implemented to prevent and minimise accidents and health injuries as a result of, or related to, conditions in the workplace.

4.2. Protection shall be established against sexually intrusive, threatening, offensive or exploitative behaviour, and against discrimination or termination on unreasonable grounds, e.g. marriage, pregnancy, parental status or HIV status.

5. Harsh treatment (Universal Declaration of Human Rights/UDHR)

5.1. Physical abuse or punishment, or the threat of physical abuse, is prohibited. The same applies to sexual or other abuse and other forms of humiliation.

6. Health, environment and safety (ILO Convention No. 155 and Recommendation No. 164)

6.1. Efforts shall be made to ensure workers a safe and healthy working environment. Hazardous chemicals and other substances shall be handled responsibly. Necessary measures shall be implemented to prevent and minimise accidents and health injuries as a result of, or related to, conditions in the workplace.

6.2. Workers shall receive regular and documented training in health and safety. Health and safety training shall be repeated for new and reassigned workers.

6.3. Workers shall have access to clean sanitary facilities and clean drinking water. Where relevant, the employer shall also ensure access to facilities for safe storage of food.

6.4. If the employer provides accommodation, this shall be clean, safe, adequately ventilated and have access to clean sanitary facilities and clean drinking water.

7. Wages (ILO Convention No. 131)

7.1. Wages paid to workers for a normal working week shall at a minimum be in accordance with national minimum wage regulations or industry standards, whichever is higher. Wages shall always be sufficient to cover basic needs, including some savings.

7.2. Wage conditions and payment of wages shall be agreed in writing before work commences. The agreement shall be understandable to the worker.

7.3. Deductions from wages as a disciplinary measure are not permitted.

8. Working hours (ILO Convention No. 1 and 14)

8.1. Working hours shall be in accordance with national laws or industry standards and shall not exceed working hours in accordance with applicable international conventions. Normal working hours per week shall generally not exceed 48 hours.

8.2. Workers shall have at least one day off per 7 days.

8.3. Overtime shall be limited and voluntary. The recommended maximum overtime is 12 hours per week, i.e. a total working time of 60 hours per week. Exceptions to this may be accepted if regulated by a collective agreement or national law.

8.4. Workers shall always receive overtime pay for working hours exceeding normal working hours (see point 8.1 above), at a minimum in accordance with applicable laws.

9. Regular employment

9.1. Obligations to workers, in accordance with international conventions, national laws and regulations on regular employment, shall not be circumvented through the use of short-term engagements (such as the use of contract workers, casual labour and day labourers), subcontractors or other employment relationships.

9.2. All workers are entitled to an employment contract in a language they understand.

9.3. Apprenticeship programmes shall be clearly defined with regard to duration and content.

10. Marginalised population groups

10.1. Production and use of natural resources shall not contribute to the destruction of the resource and income base of indigenous peoples or other marginalised population groups, for example by appropriating large land areas, irresponsible use of water or other natural resources on which the population groups depend.

11. Environment

11.1. Negative environmental impact shall be reduced throughout the value chain. In line with the precautionary principle, measures shall be implemented to continuously minimise greenhouse gas emissions and local pollution, the use of harmful chemicals and pesticides, and to ensure sustainable resource extraction and management of water, oceans, forests and land, and the conservation of biological diversity.

11.2. National and international environmental legislation and regulations shall be complied with and relevant emission permits shall be obtained.

11.3 In order to comply with the EU Deforestation Regulation (EU) 2023/1115, suppliers of products that have been fed with or produced using relevant commodities; cattle, cocoa, coffee, palm oil, rubber, soy and wood, shall ensure, and verify, that the relevant goods and products meet these conditions and are in compliance with the EU Regulation:

- They are deforestation-free
- They are produced in accordance with relevant legislation in the country of production

12. Corruption

12.1. All forms of bribery are unacceptable, such as the use of alternative channels to secure illegitimate private or work-related advantages for customers, agents, contractors, suppliers or their employees, as well as public officials.

13. Animal welfare

13.1. Animal welfare shall be respected. Measures should be implemented to minimise negative impacts on the welfare of production animals and working animals.

13.2. National and international animal welfare legislation and regulations shall be complied with.

Compliance and confirmation

Unger Fabrikker's suppliers shall be familiar with and understand the requirements set out in this Code of Conduct.

By signing this document, the supplier confirms that they are aware of, accept and commit to complying with the principles and requirements in Unger Fabrikker's Supplier Code of Conduct.

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Company name

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Signature

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Name (block letters)

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Date and place

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Title