

Ethical Guidelines

Sandella Fabrikken AS is a Norwegian company with its main office and production in Sykkylven. Our business practices respects people, environment and society. We have established these guidelines for sustainable business practices (Code of Conduct) which involves both Sandella, suppliers and other business partners.

We expects all our suppliers and business partners to systematically work to comply with these ethical guidelines, also towards their own suppliers and business partners.

National laws, political and cultural differences can make it difficult to comply with certain standards in some situations. In such situation it might be difficult to identify and reach all subcontractors. In such situations our suppliers, after agreement with Sandella, will search alternative solutions to reach its aims.

1. Ethical guidelines for sustainable business practice

- 1.1 National laws, regulations and standards within the countries they operate must always be followed and to be understood as minimum requirements.
- 1.2 Forced and bonded labour included slavery shall not occur.
- 1.3 Employees shall have written employment contracts with information of salaries, payment terms, working hours and notice periods. The contracts shall follow local laws and regulations and be written in understandable terms and language.
- 1.4 Wages shall in no case be paid less than the national/local legal minimum wage.
- 1.5 Employees shall have the right to form and join unions without risk of vengeance, threat or harassment. Employees shall have the freedom of collective bargaining.
- 1.6 Suppliers shall have defined ethical guidelines which minimum follow the ethical guidelines of Sandella. The guidelines shall be controlled and followed all way down its supplier chain.
- 1.7 No persons shall be employed younger than 15 years, but if local minimum age is 14 years and is within the exceptions in the ILO convention §138, this can be accepted. Employees under 18 may only work with non-hazardous work. This includes night shift.
- 1.8 No discrimination based on employment, wages, opportunities or pension, gender identity, race, religion, age, sexual orientation, union work or political position shall occur.
- 1.9 The supplier shall implement systems to ensure that employees work in a safe environment. Hazardous chemicals, machinery and equipment shall be handled to minimize damage, health risks and accidents, both at work and in the environment, local and global.

- 1.10 The supplier shall continuously work to reduce the environmental impact in the total supplier chain. National and international environmental laws and regulations shall be followed. Current permissions must be documented.
- 1.11 Animal welfare shall be respected. National and international animal welfare laws shall be complied.
- 1.12 Corruption or bribery is prohibited. This is valid also for use of alternative channels to secure private or work-related advantages to customers, sales agents, contractors, suppliers and their employees, in addition to public employees. Suppliers and business partners shall not offer any kind of incentive to Sandella employees to gain commercial advantages.
- 1.13 To avoid all kind of money laundering necessary actions shall be taken to prevent that financial transactions will be used by others for money laundering or financial terror.

2. Competition

Applicable competition laws and regulations shall be complied.

3. Diligence

- 3.1 As purchaser of products and services Sandella is obliged to consider that basic human rights are followed. This is also to be understood as decent working conditions, environment and anti-corruption within our own business and in our own supplier chain. These requirements are imposed on our suppliers and business partners.
- 3.2 These considerations shall be done against UN principles for business and human rights in addition to the OECD guidelines and regulations for multi-national companies.
- 3.3 The Supplier shall have ethical guidelines or similar documentation in its own company which minimum include the guidelines at Sandella. The ethical guidelines shall be formal accepted by the management.

4. Obligation to provide information

If supplier discover deviations in relation to the above guidelines, he shall immediately report this to Sandella.

5. Consequences

With serious and repeated violation of the ethical guidelines Sandella has the right to cancel agreements, business relations and other forms for cooperation if the supplier within reasonable time do not show the ability to implement improvements.

6. Code of Conduct

We declare that the ethical guidelines are read, understood and accepted. In case of negative deviations in relation to the guidelines of ethical business, we as Supplier will inform Sandella and establish a plan for corrective action. We will also inform our suppliers about these guidelines of ethical business and do whatever possible to ensure that they comply with the requirements in this document.

Date / Place:

Supplier:

Address:

Organisation number:

Signature:

Capital letters:
