

## **ETHICAL GUIDELINES FOR COMPANIES TO BAXT GRUPPEN AS**

The Baxt Group strives to maintain a sustainable business practice that respects people, society, and the environment. These supplier guidelines complement our own policies. To achieve sustainable business practices, we aim to collaborate closely with our suppliers and business partners. Cooperation within the supply chain is essential for responsible business practices and achieving the UN's Sustainable Development Goals.

### **Requirements for Our Operations**

Our policy for sustainable business practices forms the foundation for our sustainability work, including in the supply chain. We strive to improve our own policies and practices where relevant.

Our suppliers and partners can expect that our business and purchasing practices support, rather than undermine, their ability to meet the requirements we set regarding conditions for people, society, and the environment. The Baxt Group always strives for collaboration as a starting point. However, we will terminate business relationships or partnerships if a supplier or partner fails to meet our expectations for sustainable business practices.

### **Requirements for Conditions in the Supply Chain**

We expect our suppliers and partners to work purposefully and systematically to comply with our supplier guidelines, including principles for sustainable business practices that cover basic requirements for human rights, labor rights, anti-corruption, animal welfare, and the environment. Our suppliers must:

- Follow supplier guidelines, including principles for sustainable business practices.
- Actively conduct due diligence, meaning risk assessments of negative impacts on people, society, and the environment, and take action to halt, prevent, and reduce such impacts. These measures must be monitored, evaluated for effectiveness, and communicated to affected parties. If the supplier is responsible for the negative impact/damage, they are also responsible for remediation.
- Demonstrate willingness and ability for continuous improvement for people, society, and the environment through collaboration.
- Provide documentation, upon request from the Baxt Group, on how they and their subcontractors work to comply with the guidelines.
- Understand that repeated failure to comply with these guidelines may result in contract termination.
- Have a grievance mechanism for addressing complaints related to human rights, labor rights, environmental concerns, and corruption.

- Avoid trading partners involved in activities in countries subject to trade embargoes by the UN and/or Norwegian authorities.

### **Expected Follow-Up by the Baxt Group**

Suppliers must document, upon request, how they and their subcontractors work to comply with these guidelines. This can involve follow-up meetings and/or assessments of working conditions at production sites. If the Baxt Group wishes to assess subcontractors for compliance with these guidelines, the supplier must allow such assessments and provide names and contact information for these subcontractors.

### **Principles for Sustainable Business Practices (Code of Conduct)**

These principles are based on UN and ILO conventions and set minimum standards. The laws of the production site must be respected, and where national laws and regulations overlap with these guidelines, the highest standard shall apply.

#### **1. Forced Labor/Slavery** (Refer to ILO Conventions No. 29 and 105.)

- No forced, bonded, or involuntary labor shall occur.
- Workers must not be required to lodge deposits or identity papers and must be free to terminate their employment with reasonable notice.

#### **2. Freedom of Association and Collective Bargaining** (Refer to ILO Conventions No. 87, 98, 135, and 154.)

- Workers must have the right to join or establish trade unions of their choice and negotiate collectively without interference.
- Employers must not discriminate against trade union representatives.

#### **3. Child Labor** (Refer to the UN Convention on the Rights of the Child, ILO Conventions No. 138, 182, and 79, and Recommendation No. 146.)

- Minimum age for workers shall not be less than 15 years unless exceptions apply.
- Children under 18 must not perform hazardous work.

#### **4. Discrimination** (Refer to ILO Conventions No. 100 and 111 and the UN Convention on the Elimination of All Forms of Discrimination Against Women.)

- No discrimination in hiring, training, compensation, or promotion based on ethnicity, religion, gender, political opinion, etc.

#### **5. Harsh Treatment** (Refer to the Universal Declaration of Human Rights (UDHR), Art. 7.)

- Physical punishment, abuse, or threats thereof are strictly prohibited.

**6. Health, Safety, and Environment (HSE)** Refer to ILO Convention No. 155 and Recommendation No. 164.

- A safe and healthy working environment must be ensured, with regular training provided.

**7. Wages** (Refer to ILO Convention No. 131.)

- Wages must comply with minimum wage laws and cover basic living needs.

**8. Working Hours** (Refer to ILO Conventions No. 1 and 14.)

- Working hours must comply with national laws and international conventions and not exceed 48 hours per week.

**9. Regular Employment** (Refer to ILO Conventions No. 95, 158, 175, 177, and 181.)

- Employment must be based on legally recognized relationships.

**10. Marginalized Groups** (Refer to the UN International Covenant on Civil and Political Rights, Art. 1 and 2.)

- Respect the rights of indigenous and marginalized populations.

**11. Environment**

- National and international environmental laws must be followed, with measures to minimize environmental impact.

**12. Corruption** (Refer to the UN Convention Against Corruption.)

- All forms of corruption, bribery, extortion, and kickbacks are unacceptable.

**13. Animal Welfare**

- National and international animal welfare laws must be followed, with respect for animal welfare in all operations.