

The Feelgood Company Supplier Code of Conduct

Introduction

With this Supplier Code of Conduct (CoC) we state our commitment in working for a sustainable supply chain within important areas such as labour rights, environmental protection and sound business practices. Our suppliers are crucial in securing these standards and hence for us to deliver on our long term strategic goals. We select our suppliers on a wide basis of criteria, both commercial and non-commercial such as food safety and sound business practices as described in this CoC.

This CoC specifies what we require from our suppliers, their sub-suppliers and other business partners. We base our requirements on internationally agreed standards such as the Universal Declaration of Human Rights, the ETI base code and Etisk Handel Norge Code of Conduct, as well as national legislation.

The provisions of this CoC constitute minimum and not maximum standards, and it should not be used to prevent our suppliers from exceeding these standards. Our suppliers are expected to comply with national and other applicable law and, where the provisions of law and this CoC address the same subject, to apply that provision which affords the greater protection.

We expect our suppliers to discuss any challenges they may have in meeting the Supplier Code of Conduct openly and honestly at any time during the business relationship.

General principles

1 Forced labour/slavery

1.1 There is no forced, bonded or involuntary labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

2 Freedom of association and collective bargaining

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere, hinder or counteract trade unions and collective bargaining.

2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3 Child labour

3.1 Minimum age for workers shall not be less than 15 years and follow

3.1.1 national minimum age for employment, or

3.1.2 minimum age for mandatory schooling, whichever age is highest. Where local minimum age is set at 14 years in line with the exception of ILO convention 138, this may be acceptable.

3.2 There shall be no new recruitment of child labour in accordance with above mentioned minimum age.

3.3 Young persons under 18 shall not perform labour that is detrimental to their health, security or morale, including night work.

3.4 Action plans for phasing out child labour not conforming to ILO conventions 138 and 182 shall be established. The action plans shall be documented and communicated to relevant parties. Accommodations shall be available to support education for children throughout mandatory school age.

4 Compensation

4.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

4.2 All workers shall be provided with written and understandable Information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

4.3 Deductions from wages as a disciplinary measure shall not be permitted

5 Working hours

5.1 Working hours must comply with national laws, collective agreements, and the provisions of 5.2 to 5.6 below, whichever affords the greater protection for workers. 5.2 to 5.6 are based on international labour standards.

5.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week*

5.3 All overtime shall be limited and voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, minimum in line with applicable laws.

5.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 5.5 below.

5.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce

5.6 Workers shall be provided with at least one day off in every 7 day period.

6 Discrimination

6.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

6.2 There are measures in place to protect workers from sexually intrusive, threatening, insulting or exploiting behaviour, as well as from discrimination or termination of employment based on unreasonable grounds such as marital status, pregnancy, parenthood or status as HIV infected.

7 Regular employment

7.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

7.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

7.3 All workers have the right to a work contract in a language they understand.

7.4 Apprenticeships shall be clearly defined in terms of length and content.

8 Inhumane treatment

8.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

9 Health and safety

9.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment. Dangerous chemicals and other substances shall be handled responsibly.

9.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

9.3 Access to clean toilet facilities and to drinkable water, and, if appropriate, sanitary facilities for food storage shall be provided.

9.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

10 Environment

10.1 Production and use of natural resources shall not contribute to destroying the basis for resources and income for indigenous peoples or other marginalized peoples, e.g. by taking up large areas, reckless use of water or other natural resources that the peoples depend on.

10.2 Negative environmental impact shall be reduced in the whole value chain. In line with the precautionary principle there shall be measures taken to continuously

- minimize climate emissions and local pollution, and the use of harmful chemicals and pesticides
- secure sustainable resource extraction and management of water, ocean, forest and land, and conservation of biodiversity.

10.3 National and international environmental laws and regulations shall be observed and relevant permits for emissions shall be obtained.

11 Animal welfare

11.1 Animal welfare shall be respected. Measures to minimize negative effects on production animals' and working animals' welfare shall be in place.

11.2 National and international animal welfare laws and regulations shall be observed.

12 Bribery and corruption

12.1 All forms of bribery and corruption are unacceptable, such as the use of alternative channels to secure illegit private or work related advantages to any business or organisation, their employees or representatives, or to public officials. Applicable laws

concerning bribery, corruption and any other prohibited business practices shall be observed.

12.2 Courtesy gifts may be allowed provided they have a minimal economic value, are infrequent, clearly appropriate under the circumstances and consistent with customary business practices. Gifts in return for any form of favour, or in a bidding or negotiation situation is not allowed.

Hospitality, such as meals or entertainment, shall always have a specific and relevant business purpose, and be reasonable and appropriate with respect to both value and frequency.

13 Boycott and sanctions

Engagement with countries, industries or companies that are under UN sanctions or where there is a broad international consensus to boycott, must be avoided.

Compliance

Our suppliers must:

- Incorporate the requirements of this CoC into their own operations as well as follow up on the requirements to their suppliers and sub-suppliers
- Systematically review how their operations meet the requirements of this CoC
- Have grievance systems in place for anonymous reporting, e.g whistleblowing
- Get our prior consent to outsourcing of production, or parts of production, to a sub-supplier
- Keep traceability of components and raw materials throughout the supply chain back to origin.

The Feelgood Company fully support national and international development of legislation to ensure e.g. protection of general human and workers' rights in supply chains. Such legislation may demand full cooperation and transparency from our suppliers in sharing relevant supply chain information. Such information will not be exploited for other purposes by The Feelgood Company.

Audits and evaluations

We expect our suppliers to meet our standards and that they systematically evaluate compliance with this CoC.

The Feelgood Company will conduct on-site audits of suppliers to evaluate compliance with this CoC. Audits may be conducted by independent, third-party auditors on behalf of The Feelgood Company. In order to demonstrate compliance, the supplier must keep and disclose relevant records and be able to provide reasonable information when requested. The Feelgood Company may also request suppliers to fill in self-assessment questionnaires to evaluate compliance to this CoC.

The Feelgood Company will carry out audits based on internationally recognized standards and where possible the audit standard will be communicated to the supplier before the audit takes place.

Corrective actions

When a supplier fails to meet the requirements of this CoC, possible corrective actions shall be discussed between the parties in an open and constructive manner. Corrective actions shall be implemented by the supplier and reported back to The Feelgood Company.

Long-term relationships are valued by The Feelgood Company, and we believe in working together with our suppliers for necessary improvements in our value chain. However, if a supplier is unwilling or unable to make necessary corrective actions or a substantial breach or repeated breaches of the requirements of the CoC are made, The Feelgood Company may terminate the contract with the supplier without delay.