

Supply Chain Code of conduct for the Fibo Group AS

Adopted in board meeting on 23 August 2017

At Fibo we promote corporate responsibility and sustainability also our supply chains. We cooperate closely with our suppliers and business partners in pursuit of this aim. Accordingly, we have prepared this code of conduct to illustrate what we expect of our suppliers and business partners. When selecting new suppliers, emphasis will be given to social and environmental standards. This code of conduct covers human rights, workers' rights, children's' rights, the environment and corruption.

Suppliers to the Fibo Group are to supply goods and services that are produced in compliance with applicable laws, regulations and this code of conduct. Moreover, the suppliers are to communicate the code of conduct to their sub-contractors, and to monitor implementation.

A supplier must be able to document compliance with the code of conduct at Fibo's request. Such documentation may take the form of self-declaration, follow-up meetings, and/or inspections of the working conditions at production sites in the sole discretion of Fibo. The supplier will be obliged to name and provide contact information for any sub-supplier that Fibo wishes to inspect.

In the event of a breach of the code of conduct, Fibo and the supplier will jointly prepare a plan for remedying the breach. Remediation must take place within a reasonable period of time. The supply contract may be terminated without prejudice if the supplier remains unwilling to remedy the breach, or in the event of a material breach of this Supply Chain Code of Conduct.

1. No Forced or compulsory labor (ILO Conventions Nos. 29 and 105)

- There shall be no forced, bonded or involuntary prison labor.
- Workers shall not be required to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice.

2. Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154)

- Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, obstruct, the formation of unions or collective bargaining.
- Workers' representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.
- Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

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

- The minimum age for workers shall be the higher of 15 and
 - the national minimum age for employment, or;
 - the age of completion of compulsory education,

- If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- There shall be no recruitment of child labor defined as any work performed by a child younger than the age(s) specified above.
- No person under the age of 18 shall be engaged in labor that is hazardous to their health, safety or morals, including night work.
- Policies and procedures for remediation of child labor prohibited by ILO conventions no. 138 and 182, shall be established, documented, and communicated to personnel and other interested parties. Adequate support shall be provided to enable such children to attend and complete compulsory education.

4. No Discrimination (ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)

- There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behavior, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

5. No Harsh or Inhumane Treatment

Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

6. Health and Safety (ILO Convention No. 155 and ILO Recommendation No. 164)

- The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. 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 minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and documented health and safety training, and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

7. Wages (ILO Convention No. 131)

- Wages and benefits paid for a standard working week shall as minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.
- All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.
- Deductions from wages as a disciplinary measure shall not be permitted.

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

- Working hours shall comply with national laws and benchmark industry standards, and not more than prevailing international standards. Weekly working hours should not on a regular basis be more than 48 hours.
- Workers shall be provided with at least one day off for every 7 day period
- Overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this are accepted when regulated by a collective bargaining agreement.
- Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 8.1 above), minimum in accordance with relevant legislation.

9. Regular Employment

- Obligations to employees under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short term contracting (such as contract labor, casual labor or day labor), sub-contractors or other labor relationships.
- All workers are entitled to a contract of employment in a language they understand.
- The duration and content of apprenticeship programmes shall be clearly defined.

10. Marginalized Populations

Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

11. Environment

- Measures to minimize adverse impacts on human health and the environment shall be taken throughout the value chain. This includes minimizing pollution, promoting an efficient and sustainable use of resources, including energy and water, and minimizing greenhouse gas emissions in production and transport. The local environment at the production site shall not be exploited or degraded.
- National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained.
- The supplier is expected to continuously improve its environmental performance in the value chain by means of operational control and monitoring and by focus on awareness and training.

12. Corruption

- The highest standard of integrity is expected in all business interactions, and the supplier must comply with all applicable laws and regulations on bribery and corruption.
- Corruption in any form is not accepted, including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials.
- The supplier shall refrain from offering gifts and entertainment to Fibo purchasers or other employees in an attempt to influence business decisions.

13. Conflict of Interests

In our suppliers' business dealings with us, we expect our suppliers to take decisions based on objective criteria only. Any factors that influence the suppliers' decisions due to private, business or other conflicts of interest must be prevented from the start. The same applies to relatives and other related parties.

14. No Money Laundering

At Fibo we expect our suppliers to comply with all applicable statute governing the prevention of money laundering, and not to participate in any money laundering activities.

15. No dealings with countries subject to economic sanctions

Fibo's suppliers shall not use suppliers and/or partners that operate in countries subject to international boycott/trade sanctions by the United Nations, European Union, Norwegian Authorities and/or other relevant local authorities ("Prohibited Countries").