

## Code of Conduct

### I – Introduction

Within business carried out by Kaffehuset Friele worldwide we are committed to be socially and environmentally responsible for all our actions. We have this responsibility towards all who buy our products or take part in their production or distribution.



Based on our commitment we have set up the Kaffehuset Friele Code of Conduct to make our position clear for all our suppliers, for our own staff and for other partners. Our Code of Conduct contains labour-and environment requirements, as well as other ethical requirements, which comply with provisions in international conventions and instruments, such as the ILO Core Conventions.

In many cases the Code requirements are the same as provisions specified in National laws and regulations. Should the provisions of national law and the requirement of our Code of conduct differ, the highest standard shall apply.

The requirements of our Code of Conduct are non-negotiable and shall be complied with by our suppliers, and their subcontractors, through all their activities. Yet, we stress that we will not terminate business in case of non-compliances. If non-compliances occur, we expect corrective actions to be taken within a reasonable time frame agreed upon between the supplier and Kaffehuset Friele.

Only after repeated failure or unwillingness to carry out corrective actions, may business with the supplier be terminated. Also, when placing new orders, the level of compliance with our Code of Conduct and willingness to make improvements will be an important criterion for selection of suppliers. The principle aim of our Code of Conduct is to help improve the social and environmental conditions of our suppliers.

In this document;

**Supplier** is the contractual partner responsible for the product, process or service supplied to Kaffehuset Friele.

**Subcontractor** is a business entity in the supply chain directly or indirectly providing the supplier with goods and/or services integral to, and utilized in/for the production of the supplier's goods and/or services.

### II – Principles

The business relationship between Kaffehuset Friele and its suppliers shall be based on mutual respect, and all parties shall communicate in a good and constructive manner throughout the process.

#### **Kaffehuset Friele goal**

Our goal is to influence the work for respect for Human & Labour Rights and environmental protection both within the company and towards our business partners.

**Favouring of producers and producing countries**

Kaffehuset Friele will, when choosing suppliers, in addition to other competition aspects, consider social and environmental standards. Compliance with these standards, and demonstrated will to improve these aspects of the operations, is considered as a competitive advantage and will be taken into consideration when choosing suppliers and vendors

**Corruption and bribery**

Kaffehuset Friele, including all employees, do not accept the offer, gift or acceptance of a bribe in any form, including kickbacks, on any portion of a contract payment, or the use of other routes or channels to provide improper benefits to customers, agents, contractors, suppliers, or employees of any such party or governmental officials

**Continuous evaluation and improvement of Kaffehuset Friele's internal policies and practices**

Kaffehuset Friele will continuously evaluate and, if applicable, improve our own policy and purchasing practices in order to facilitate suppliers and subcontractors compliance with this Code of Conduct.

**III – Code of Conduct****1. Freely Chosen Employment** (*ILO Conventions Nos. 29 and 105*)

1.1 There shall be no forced, bonded or involuntary prison labour

1.2 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*)  
2.1 Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 Workers representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.

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

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

3.1 Children and young persons under the age of 18 shall not be engaged in labour that is hazardous to their health or safety, including night work.

3.2 Children under the age of 15 (14 or 16 in certain countries) shall not be engaged in labour that is detrimental to their education.

3.3 New recruitment of child labour in infringing of the above mentioned conventions is unacceptable. If child labour, as described above, is already in existence, sustained efforts shall be made to redress the situation as quickly as possible. However, the children concerned shall be given the possibility of earning a livelihood, as well as acquiring an education until they are no longer of compulsory school age.

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

4.1 There shall be no discrimination at the work place based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

4.2 Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

#### **5. No Harsh or Inhumane Treatment**

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

#### **6. Safe and Hygienic Working Conditions** (*ILO Convention No. 155 and ILO Recommendation No. 164*)

6.1 The working environment shall be safe and hygienic, 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.

6.2 Workers shall receive regular and documented health and safety training, and such training shall be repeated for new workers.

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

6.4 Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

#### **7. Adequate Wages** (*ILO Convention No. 131*)

7.1 Wages and benefits paid for a standard working week shall meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs.

7.2 All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.

7.3 Deductions from wages as a disciplinary measure shall not be permitted.

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

8.1 Working hours shall comply with national laws and benchmark industry standards, whichever affords greater protection. It is recommended that working hours do not exceed 48 hours per week (8 hours per day).

8.2 Workers shall be provided with at least one day off for every 7 day period

8.3 Overtime shall be limited. Recommended maximum overtime is 12 hours per week.

8.4 Workers shall always receive overtime pay, minimum in accordance with current legislation.

## **9. Providing Regular Employment**

9.1 Obligations to employees under international conventions and social security laws, and regulations arising from the regular employment relationship, shall not be avoided through the use of short term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.

9.2 All workers are entitled to a contract of employment that shall be written in a language they understand.

9.3 The duration and content of apprenticeship programmes shall be clearly defined.

## CONDITIONS OUTSIDE THE WORKPLACE

## **10. Consideration for Marginalized Populations**

10.1. Production and extraction of raw materials for production shall not contribute to the destruction of the resources and income base for marginalized populations, such as in claiming large land areas or other natural resources on which these populations are dependent.

## **11. Protection of the Environment**

11.1. Environmental measures shall be taken into consideration throughout the production and distribution chain ranging from the production of raw material to the consumer sale. Local, regional and global environmental aspects shall be considered. The local environment at the production site shall not be exploited or degraded by pollution.

11.2 National and international environmental legislation and regulations shall be respected.

11.3 Relevant discharge permits shall be obtained where required.

11.4 Hazardous chemicals and other substances shall be carefully managed.

## MANAGEMENT SYSTEM

### **12. Management System**

12.1 The supplier shall take positive actions to implement the requirements of this standard, to incorporate the standard into all of its operations, and to make the standard an integral part of its overall philosophy.

12.2 The supplier shall assign responsibility for all matters pertaining to this Code of Conduct to a manager within its organisation.

12.3 Top Management of the supplier shall periodically review the operation of the requirements of this standard.

12.4 The supplier accepts responsibility for observing the requirements of this standard with respect to all employees and workers that it supervises and agrees to:

- a – assign responsibility for implementing this standard at each place that it owns or controls to an employee.
- b – ensure that employees and workers are aware of the standard by communicating its contents in a language understood by them.
- c – refrain from disciplining, dismissing or otherwise discriminating against any employee for providing information concerning observance of this standard.

12.5 The supplier shall maintain appropriate records to demonstrate conformance to the requirements of this standard, and shall be able to provide reasonable information and access to parties approved by Kaffehuset Friele seeking to verify conformance.

### **IV – Corrective Action and Non-Compliance**

Kaffehuset Friele's Code of Conduct sets the standard expected to be met by all our suppliers and partners during operation and manufacturing. We are fully aware that all expectations can't be met immediately, but these as well as non-compliances are to be settled by corrective actions by the supplier. If repeated violations are established without any effort by the supplier to take appropriate actions, it is our duty to terminate the cooperation with such suppliers.