

# ROYAL GREENLAND – Supplier Code of Conduct

January 2022

## Compliance with Supplier Code of Conduct

This Supplier Code of Conduct is based on international recognised human rights as stated in The International Bill of Human Rights and the core labour standards as stated in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. It is valid for all types of suppliers including fishing and production at sea, services, offices and factories on land.

Suppliers<sup>1</sup> of products and services to the Royal Greenland group are required to ensure that this Code of Conduct and specifications of items delivered are complied with, signed and communicated to their relevant employees in clear terms. Additionally, the supplier is responsible for placing similar requirements on their suppliers and subcontractors.

## Right to freedom of association and collective bargaining

The Supplier must respect the rights of employees to form and join trade unions or other associations of their own choice, and their right to collective bargaining. Employees' representatives may not be subject to discrimination and must have access to the employees at the workplace.

If only state-authorised organisations are permitted, the Supplier must allow the employees to freely elect their own representatives and enable the employees to meet independently to discuss work-related issues.

## Elimination of discrimination

The Supplier must not practice discrimination on the grounds of race, skin colour, gender, language, religion, politics or other convictions, caste, national or social origin, wealth, birth, union affiliation, sexual orientation, state of health, family obligations, age and disability, or other special characteristics.

Employment, pay, staff benefits, education, promotion, discipline, termination, pension or other employment-related decisions must be based on relevant and objective criteria. This applies both to permanent employees and temporary employees.

## Working hours and conditions

The Supplier must ensure that the standard weekly working hours in factories do not exceed 60 hours including overtime. Overtime must not be based on predetermined frequency. Any extra hours of overtime are only permissible at short notice for operational reasons and if permitted by collective regulation.

Employees must be entitled to at least two days off per 14 days, and must have reasonable breaks during work, and sufficient rest between shifts.

Other working time regulations especially for vessels applies in accordance with relevant ILO standard, national legislation and collective agreements.

The Supplier must protect the employees from all types of physical, verbal, sexual and/or mental harassment or threats at the workplace, whether this is by managers or colleagues.

---

<sup>1</sup> Supplier is defined as the immediate supplier one step back in the supply chain. In the case of trading goods, and depending on the industry, the code should also be signed by the producing entity.

## Remuneration

All employees must have a clear, written and legally binding employment contract. The supplier must comply with at a minimum, national legal standards or industrially comparable standards, whichever is higher, concerning pay and benefits. In all circumstances, the Supplier must always pay a “fair wage” that enables the employees to provide for their own and their dependents’ basic requirements, and gives them an appropriate income, according to the nature of the work.

If any overtime it must be paid at a fixed and agreed rate. Wages must be paid in a legal means of payment directly to the employee, and on a regular basis. Wage deductions must be transparent and may never be used as a disciplinary measure.

## Health and safety

The Supplier must ensure that its employees are offered a safe and healthy working environment, including protection from fire, chemically hazardous substances and processes that may be harmful to their health, and the prevention of accidents. Adequate health and safety policies and procedures must be established and followed. The Supplier must provide the employees with the personal protection equipment and training required to perform the work with due regard for their personal safety.

The Supplier should designate a management representative who is responsible for health and safety measures for all staff. The Supplier must provide suitable clean and sanitary access to toilets and drinking water that matches the requirements of and the number of employees. If accommodation is provided by the Supplier, it must fulfil equivalent requirements.

## Prohibition of child labour

### Minimum employment age - 15 years

The Supplier may not engage in the use of child labour. The minimum age of employment may not be lower than the age of fulfilment of the duty of education, and in all cases may not be lower than 15 years.

An exception from this is young people aged between 13 and 15, who perform light work of a shorter duration after school or in holidays in accordance with national rules.

### Remediation program

When removing a child from employment, the supplier is required to enroll the child/children in a remediation program. The program will be determined in consultation with the child and his or her family or relatives. All actions must be taken in the best interest of the child.

If the supplier fails to remove the child and establish a remediation program the supplier relationship will be terminated.

### Hazardous and harmful work

The Supplier may not employ young persons (under the age of 18) to undertake night work, or any type of work that may be expected to jeopardise their health, safety or moral development.

## Prohibition of forced labour

The Supplier may not engage in any form of forced labour, including slavery, human trafficking or bonded labour. This includes prisoners, who must only be employed voluntarily. Employees must have freedom of movement during their employment.

The Supplier may not retain any elements of an employee’s pay, staff benefits, property or documents (such as identity card and travel documents) in order to force the employee to continue to work for the Supplier.

## Environmental protection and accidents

The Supplier must seek to minimise the negative environmental impacts on air, soil, sea and biodiversity of its activities (including fisheries and fish farming), products and services, by exercising a proactive precautionary approach to environmental challenges, and the responsible and sustainable management of its environmental resources.

The Supplier must be aware of and comply with current statutory environmental requirements that are relevant in terms of the consequences of its activities and products.

The Supplier must undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.

Emergency procedures must be established and maintained for the effective prevention and management of all emergency health situations and industrial accidents that can affect society at large or have a negative environmental impact.

The supplier must engage in reduction of the company's climate impact by setting up policies, reducing use of fossil-based energy sources and set targets for the future impact.

Additionally, the supplier will be asked to provide climate data for a certain product purchased by Royal Greenland.

### **Traceability**

The Supplier of raw material is liable at all times for the authenticity of the fish products supplied and must be able to trace these back to the original catch area, catch period and vessel, or first production site.

Suppliers of MSC products must ensure compliance with the MSC standard, including products are kept separate from non-MSC-certified fish products. On request, the Supplier must be able to submit a raw materials balance sheet and documentation of traceability.

Ingredients and packaging must be traceable back to the production site.

### **Corruption and bribery**

The Supplier must refrain from using corruption, bribery, extortion, fraud or other methods, to unfairly influence public officials, the judiciary, companies, and/or private individuals. We recommend our suppliers to do training in anticorruption and set up an anonymous reporting system for serious incidents.

#### **Recruitment**

The supplier and subsuppliers have the responsibility to recruit employees in a fair recruitment process that meet requirements in this Supplier Code of Conduct and recognized ILO standards. This involves following points:

- Recruitment is free of choice
- The employer does not keep any deposit or identity papers
- No employment costs shall be borne by the worker
- Child recruitment is prohibited
- Accommodation of workers must meet good hygienic standards
- Requirements are passed on to recruitment agencies

### **SMETA audits**

Based on a risk assessment, suppliers to Royal Greenland from high risk countries will be required to go through a third party audit (Smeta, BSCI or similar) by end of 2022. This is required for producers of food, ingredients and packaging.

### **References for the above-mentioned requirements:**

UN Global Compact, principles 1-10

UN Guiding Principles on Business and Human Rights: (2005-2011)

UN Universal Declaration of Human Rights, 1948

Eight fundamental ILO conventions: 29, 87, 98, 100, 105, 111, 138 and 182

Eleven other key ILO conventions: 1, 12, 14, 95, 97, 120, 131, 132, 134, 142, 155, 169 and 188