

## Introduction

At **Institute for Energy Technology (IFE)** we promote decent working and environmental standards in 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. The code of conduct covers fundamental requirements for human rights, workers' rights, the environment and anti-corruption in our supply chains.

**IFE** expects our suppliers to communicate the requirements of this code of conduct to their sub-suppliers and work towards their compliance with the requirements, in addition to their own efforts to be compliant.

**IFE** is a member of the Ethical Trading Initiative Norway (IEH). IEH is a resource centre for ethical trade practices. **IFE** reports openly to IEH on an annual basis detailing our work with ethical trade.

## Requirements relating to own practice

**IFE** will continuously work to improve our own policies and practices, including our purchasing practices, to support our suppliers in complying with our code of conduct. We will do this in dialogue with our suppliers and other stakeholders.

Neither **IFE** nor any of its employees shall ever offer or accept illegal or unlawful monetary gifts, or any other form of remuneration, in order to secure a business related or private benefit, or for the benefit of their customers, suppliers or business partners.

## Requirements to Supply Chain Conditions

Our vendors shall respect Ethical Trade Principles are founded on key UN and International Labour Organization conventions and documents. National laws shall be respected, and where the provisions of law and IEH's ethical trade principles address the same subject, the most stringent shall apply.

### **1. Forced and compulsory labour (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. The employer shall not interfere with, obstruct, the formation of unions or collective bargaining.
- 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/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. Child Labour (UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, and ILO Recommendation No. 146)**

- 3.1. The minimum age for workers shall not be less than 15 and comply with
- i) the national minimum age for employment, or;
  - ii) the age of completion of compulsory education,
- 3.2. whichever of these is higher. If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- 3.3. There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
- 3.4. No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.
- 3.5. Policies and procedures for remediation of child labour 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. Discrimination (ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)**

- 4.1. There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, caste, 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. Harsh or Inhumane Treatment (UN Covenant on Civil and Political Rights, Art. 7)**

- 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, is prohibited.

**6. Health and Safety (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. 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 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 or reassigned 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. Wages (ILO Convention No. 131)**

- 7.1. 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.
- 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. Working Hours (ILO Convention No. 1 and 14)**

- 8.1. 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.
- 8.2. Workers shall be provided with at least one day off for every 7 day period
- 8.3. 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.
- 8.4. 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 (ILO Convention No. 95, 158, 175, 177 and 181)**

- 9.1. 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 labour, casual labour or day labour), sub-contractors or other labour relationships.
- 9.2. All workers are entitled to a contract of employment in a language they understand.
- 9.3. The duration and content of apprenticeship programmes shall be clearly defined.

#### **10. Marginalized Populations (UN Covenant on Civil and Political Rights, art. 1 and 2)**

- 10.1. 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**

- 11.1. 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.
- 11.2 National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained.

#### **12. Corruption**

- 12.1. 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.

#### **13. Management systems of suppliers (recommended for all enterprises and industries)**

The management system is key to the implementation of the code of conduct. **IFE** emphasises the importance of suppliers having systems that support such implementation. **IFE's** expectations in this regard are summed up in the following measures:

- The supplier should make a centrally placed employee responsible for the implementation of the code of conduct in the supplier's business.
- The supplier must make the code of conduct known in all relevant parts of its organisation.

- The supplier must obtain **IFE's** consent prior to outsourcing production or parts of production to a sub-supplier/contractor, if this has not been agreed in advance.
- The supplier must be able to give an account of where goods ordered by **IFE** are produced.