



CODE OF CONDUCT

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03-2013





CODE OF CONDUCT FOR NORDIC CHOICE HOTELS

CODE OF CONDUCT

for Nordic Choice Hotels



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NORDIC CHOICE HOTELS™



CODE OF CONDUCT FOR NORDIC CHOICE HOTELS

“It isn’t just about scoring goals, it’s about scoring goals in the right way!”

Petter A. Stordalen



TORGEIR EXPLAINS

A visit to a Nordic Choice Hotel should be a positive and smart choice for our guests, but also for society. It should be easy to live well and sleep well with us. We’re saving money and the environment by reducing energy consumption. And, we strive to ensure that everything we need to deliver the ultimate hotel experience has been produced and supplied with concern for both mankind and the environment. This means that we care!

It isn’t always easy to do the right thing in our busy everyday lives – so we have created some simple guidelines about how we can achieve this in practice. Guests, employees, suppliers and the community should be safe in the knowledge that our company is something to be proud of. Here is our code of conduct.

CEO





OUR VALUES

Our values describe who we are and what we represent. They should steer all our decision making, whether we are building a new hotel, buying bread for breakfast or cleaning a room. Our values are:

We are creating value for both the company and the community

The way in which our hotels earn money is important. At Nordic Choice we create value for both the company and the community – because it is right and because it is profitable.

We care

We care about our guests, our employees and the people outside the hotel doors. Our employees are the most important contributors to the experience we offer our guests. Together, we will show the world that we care.

We are open and honest

At Nordic Choice we should have an open culture. We shall be a benefit to the community, but we are not perfect. We are willing to meet and discuss what we do well and what we can do better, and we never promise more than we can deliver.

With energy, courage and enthusiasm, we will create a better world.





WHO IS JOINING US FOR THE RIDE?

Our code of conduct explains what we expect of our employees and suppliers. It also demonstrates to both our guests and the community what they can expect from us as a company.

Employees

By employees, we mean everyone who has a contract to carry out work in and for Nordic Choice. That means: employees in company hotels, employees in franchise hotels, permanent and temporary employees, agency workers, managers and board members. Everyone. This code of conduct describes both our expectations of our employees, but also what employees can expect of Nordic Choice. Managers have a particular responsibility to ensure that their own and their employees' behaviour is consistent with the guidelines.

Suppliers

By suppliers, we mean everyone who provides products and services to us, including those working for the suppliers. If our suppliers do something wrong, this can impact negatively upon us. And, it is positive for us if we find new and more sustainable solutions. For this reason, we have to be clear about what we expect from our suppliers.

Guests

When we follow the code of conduct, our guests can be safe in the knowledge that we operate our hotels properly. They can be sure that the person who cleans their room or works on reception is earning a fair wage, that we are working constantly to reduce the environmental impact of our business and that their bed linen and food has been produced sustainably. Our code of conduct demonstrates to our guests what we stand for.





Community

Our code of conduct explains what ethics actually means to us in our role within the community. As a large company with over 12,000 engaged employees, we can influence the hotel business as a whole, the countries we operate in and the local community around our hotels. Our code of conduct demonstrates to the outside world just what they can expect from us.

IMPORTANT ISSUES

For a company as large as Nordic Choice, there are a great many important issues. We cannot do everything, however, and for this reason we place greater emphasis on the following issues:

Environment

By running hotels, we affect the environment and the climate. Therefore Nordic Choice wants to take a particular responsibility for the environment. We take this responsibility very seriously. This means that we do not simply fulfil our legal obligations, but we also lead the way in developing a greener society. For us, this means working towards becoming:

- A climate-neutral company;
- A company which does not emit pollutants; and
- A developer and hotel operator which does not endanger biodiversity.

Everything we do shall be done with a minimal use of nature's resources.

Diversity

Diversity makes us better. It means that we recruit skilled personnel regardless of their background; we generate more and better ideas than we would if we all thought alike; and we reflect the society of which we are part. Respect and an interest in what makes us different is part of what makes us a better company, where we not only look after our guests, but also each other. We will





strive to meet the requirements of our guests' diverse needs. We achieve this by creating a hotel experience and an offer which neither discriminates nor excludes.

HSE

Everyone working for and in Nordic Choice shall have a safe and healthy working environment.

Workers' Rights

Everyone working for Nordic Choice and our suppliers shall have the right to freedom of association and the right to collective bargaining. Everyone who works for Nordic Choice has the right to standard wages in accordance with national laws and agreements. We shall create a safe and positive working environment through good cooperation with workers' representatives and safety representatives.

Human Rights

We, as a company and through our suppliers, shall support and respect international human rights and avoid infringing upon these.

Food and Health

Food influences people, animals and the environment, both in production and use. Therefore, wherever possible, we will select food which is sustainably produced and protects the welfare of animals. And, we shall make it an attractive option for our guests to select healthy and sustainable food.

Criminality and prostitution

We do not accept criminality or prostitution, either in our hotels or from our suppliers.





Corruption and bribery

Corruption is both illegal and detrimental to society. All forms of corruption and bribery are unacceptable to us, our suppliers and those we cooperate with.

Competition

Nordic Choice values equal competition. Price fixing and other activities which distort competition are illegal and should not occur. All procurement, cooperation and agreements should be characterized by open and transparent processes.

Financial / economic services

The financial accounts of Nordic Choice Hotels are part of Anker Holdings' consolidated accounts, and we shall publish figures which provide a correct and clear picture of our operations. We will undertake and publish accounts in accordance with all relevant laws, regulations and good practice.





HOW WE WORK

We achieve the goals we have set through everyone who works for Nordic Choice Hotels and their suppliers. This includes our ethical goals. For this reason, we have our own code of conduct for both of these groups. You will find these codes of conduct at the end of this document.

MONITORING

Whistle blowing

What do we mean by whistle blowing?

Whistle blowing or alerts means raising issues concerning unacceptable situations with the people who can do something about them. Unacceptable situations are breaches of laws, contracts or promises and breaches of internal regulations or our code of conduct. Alerts should be made to those people in Nordic Choice Hotels who can most effectively handle the situation, or to those who are in a position to notify the relevant authorities.

Alerts are good

Alerts are positive both for the company and for society, because unacceptable situations can be corrected. People who are willing to alert us are an important resource.

Right and duty to inform

Employees, business partners, guests and society in general are encouraged to alert us about any unacceptable situations, because this can lead to the improvement of our company.

Everyone who works for Nordic Choice Hotels has a duty to inform us of any criminal activity and any activity which endangers life and health.

Following up on alerts





Management must assess how they deal with alerts. Unacceptable situations must be rectified. The person who raised the alert shall receive a response within one week. This response may take more time for complicated situations involving parties other than Nordic Choice Hotels.

If it transpires that the alert was unnecessary or based upon a misunderstanding, then the person who raised the alert shall receive a full explanation.

For employees

Both the specific case and the situation will determine how best to raise an alert in Nordic Choice. Below, you will find a starting point for what we believe is the best approach for our company.

To the responsible body or person

Initially, everyone should raise the alert with their direct manager or the body responsible for the situation to which the alert relates:

- All alerts can be raised with a direct manager.
- Personnel cases should be raised with a workers' representative or with the company health service.
- Environmental issues or a poor working environment should be raised with the working environment committee manager or with the safety representative.
- Breaches of tax laws or rules governing bribery/corruption can be raised with the director of finances.

If the issue cannot be raised with any of the above, the hotel manager, HR manager or hotel director should be alerted.

To chain-management / centrally

If the person who raises the alert receives no reaction or feedback, that person is encouraged to inform chain-management, HR central or group management within Nordic Choice Hotels.





External alerts

Our company has established good internal alert systems. Having said this, individuals maintain the right to take their concerns to official bodies handling relevant cases.

Anonymity and confidentiality

Raising alerts can be done confidentially, but in most cases openness will ensure better progress and a better result for all concerned parties. The name of the person raising the alert is, however, confidential.

Consequences

Anyone found to have broken Nordic Choice Hotels' code of conduct will face the consequences. Where there are repeated or serious breaches, this can result in the termination of employment.

If a supplier breaches the code of conduct, then that supplier shall inform us as soon as possible so that, together, we can formulate a plan to rectify the situation. The situation should be rectified without undue delay. If, after repeated instances, the supplier does not appear willing to improve the situation, then the contract can be terminated.

Monitoring and reporting

We can already measure the most important signs that our ethical work is succeeding, through the company's profitability, our satisfied customers and employees.

To follow up on work with our code of conduct, we will also monitor the number of discussions about ethics in the management groups. We also plan to log any breaches of the code of conduct, and how these breaches have been followed up. The results will be reported to group management on an annual basis. Every year we report on our goals and results within social responsibility to the wider world. Our work on ethics will form a part of this reporting.





CODE OF CONDUCT FOR EMPLOYEES

CODE OF CONDUCT for our employees



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CODE OF CONDUCT FOR EVERYONE WORKING IN NORDIC CHOICE HOTELS

INTRODUCTION

In your daily work you will, from time to time, encounter situations where it is difficult to decide what is right and what is wrong. This may be in a meeting with colleagues, your employer or with guests. This document is intended to help you avoid difficult situations and to make the right decisions if you do find yourself in difficulty.

In situations where something is in doubt, we shall speak to, and not about, those involved. However, now and then it can be necessary to seek advice from our colleagues and managers. If we don't do this, or if we breach the code of conduct, this could have consequences. Where there are repeated or serious breaches, this can result in the termination of employment.

At the same time, it is important to be brave and speak out if you experience breaches of our code of conduct! We should always have the courage to believe that we will go furthest by being decent. Regardless of your work, you should always do your best. This is about having pride in what you do and in the company you work for.

Everything in this code of conduct applies to everyone who works for Nordic Choice, i.e., employees in company hotels and franchises, permanent, temporary employees, managers and board members.



DARE TO ASK – AN AUTOMATIC REFLEX!

If you will remember just one thing from this code of conduct, it should be: 'Dare to ask'.

- 1 If in doubt, ask! Ask always!
- 2 Go to the person most likely to be able to do something about the issue!

We all encounter situations where we are unsure. Sometimes it is sufficient to ask a colleague, other times we should go straight to our supervisor. If it is a personnel issue, we should go straight to our manager or our employee representative.

THINK FOR YOURSELF – AN EXERCISE

If you find yourself in a situation in which you are unsure what is right, you can ask yourself:

- 1 Is it legal?
- 2 What would my mother say? Could you defend your action, if you had to explain it to your closest family members?
- 3 What would your managers have done? Is what you are doing for the good of the company, or for your own profit?
- 4 What would happen if everybody else did it?
- 5 What would you think if someone else did it?



MEETING OUR COLLEAGUES

We treat all of our colleagues with respect and value. We shall have an open, popular and positive interpersonal style in which everyone can trust one another. No-one shall be exposed to physical, religious, sexual, psychological or verbal threats or attacks. Our workplace is often the first workplace for many young people, and many people of foreign origin have their first job in Norway with us. It is our responsibility to ensure that these people receive a positive introduction to their working life.

We shall motivate people to a winning culture

A strong team spirit, high goals and good humour create a winning culture. We achieve team spirit by showing concern, respect and care for one another and by praising each other's success.

We think positively and proactively

Changes in society happen fast, and our ability to tackle such changes is both necessary and decisive for the future of the company. You are always welcome to approach your manager with suggestions for how to do things in new and better ways.

We promote equality and diversity

Nordic Choice is a company which is characterised by respect and equal opportunities for everyone, through a professional, positive and inclusive working environment. We are proud that we stimulate all our employees, regardless of their gender, nationality, religion, sexual orientation or age, to share responsibility and to encourage professional and personal growth. We know that employees with diverse backgrounds, interests and characters create a more efficient and sustainable business. Diversity helps increase the value of the business, and everyone who works for Nordic Choice commits themselves to respecting this diversity.



MEETING OUR EMPLOYER

All employees have a responsibility to behave with loyalty toward their employer. This means carrying out your working duties to the best of your ability and not behaving in a way which can damage the reputation of Nordic Choice Hotels. This means being polite and correct with customers, colleagues and associates, generating good humour and positivity - and also speaking out when something is not right.

Reliability, loyalty and discretion

Confidential information received in connection with your work shall be kept confidential and must not be used for personal gain. This duty of confidentiality shall also protect individual privacy and integrity. We expect you to behave with loyalty toward both the company and your colleagues.

Being loyal also means having the courage to speak out when we think that something is not right.

Working equipment and goods

Private use of the company's premises, equipment or goods shall only take place in accordance with established guidelines and by agreement with management. No-one shall use company information, IT equipment, goods or other property for their private ends or for activities which are not relevant to their work.

Alcohol and narcotics

Our workplace is an alcohol/narcotics-free environment, and we will never come to work under the influence of either alcohol or narcotics. Alcohol can be consumed together with colleagues and customers when etiquette or other special situations require it. Always be aware of the amount you drink and your behaviour in such situations. Remember also that social settings in which alcohol plays a central role might exclude several groups. Absence as a result of drug or alcohol use is not allowed. Alcohol must never be combined with the operation of machinery, driving, etc.



HSE

We shall prioritise health and safety for our employees in everything we do. No employee should be exposed to either physical or psychological injury in the workplace. In order to achieve this, all employees must be attentive to situations which may be dangerous, and they should notify their managers about this. Following the rules and standards concerning the working environment is the responsibility of everyone at Nordic Choice. This applies even if it will involve extra costs or delays. If you feel that you are not being protected, you are duty-bound to inform us of this.

Theft and wastage

Criminality in all forms, theft, embezzlement or fraud, for example, is unacceptable and will lead to disciplinary proceedings which may result in termination of employment or dismissal. Remember that nothing should be taken from the workplace without this first being explained to your direct manager. This also applies to cash payments from the till.

Prostitution

We have a zero tolerance policy towards the purchase of sexual services in connection with work-related activities. We also want to prevent human trafficking in our hotels. Nordic Choice works with UNICEF through the 'Free to Grow' project. Free to Grow works to protect children from trafficking. We should be extra-attentive when there is a suspicion of prostitution in our hotels. We have specific instructions for what to do if you suspect that prostitution is taking place in a hotel. [Click here to access these guidelines.](#) None of Nordic Choice Hotels' offer erotic films via TV.



MEETING OUR GUESTS

Our guests are our livelihood. He and she are the reason that we work for Nordic Choice. This means that our guests are our highest authority, and they should be treated with respect and concern with regard to individual needs and wishes.

The right to a private life and personal integrity

We shall always protect the right to privacy and personal integrity for people who reside or work in our hotels. When we have access to stored, personal information, we shall take our guests' and employees' right to confidentiality into consideration. Personal information shall always be handled in accordance with the law.

Inappropriate behaviour

Nordic Choice has a zero-tolerance policy towards human trafficking, theft, embezzlement and other criminality. Unfortunately, we cannot ensure ourselves against situations where guests are involved in illegal activities, or who place you, your colleagues or guests in difficult situations. In such situations it is important that your closest manager is notified in order that such situations are resolved. Even if we suspect something is amiss, we should still treat guests with respect. Remember, it is possible that we have misunderstood the situation. Read more about alerts [here](#).



MEETING THE COMMUNITY

Everyone who works for Nordic Choice has a duty to protect the positive reputation of the company. This is about behaving respectfully and correctly towards your surroundings, and showing that you are proud of the company.

Social media

We encourage everyone who works for Nordic Choice to stay updated with social media, but this should primarily take place during breaks and during your free time, if the activity is not directly work related. Content uploaded to social media shall not damage the reputation of the company. Remember that you can also be perceived as a representative of the company, even when you use social media privately in your free time. We therefore recommend that you always consider what is best for the company, both at work and in private.

[We have prepared a specific code of conduct for the use of social media. Click here to access these guidelines.](#)

Personal gain, gifts, etc.

Our employees should avoid accepting gifts and personal gains which could influence negotiations or the decision making process. Gifts or gains with a value of less than 500 NOK are usually acceptable. This applies to all forms of gain, including personal discounts, event tickets, travel, etc. Sample products received should normally be tested in the workplace and not taken home. Moderate forms of hospitality and representation are a natural part of co-operation and information exchange. The level of such attention must not, however, extend to such a degree that it could influence decision making processes, or otherwise give grounds to suspect that there is any influence.



Travel expenses in connection with service should normally be covered by Nordic Choice. Travel paid for by potential or existing suppliers must be approved by the Managing Director. Other services paid by others should be declared to your section manager.

The same rules apply to what we can offer our customers and business partners.

Sponsorship

All sponsorships should be approved by managers, as well as being advantageous to the reputation of the company. Sponsored actions should benefit good causes.

Sponsored activities shall not:

1. Prioritise individuals connected with Nordic Choice;
2. Be interpretable as an attempt at bribery or to gain unfair competitive advantage; and
3. Generate negative reactions amongst colleagues.

Environment

Hotel operation generates greenhouse gasses and other environmental damage. This also applies to Nordic Choice. We take the environment seriously, and our goal is to lead the development of a greener society. Everyone who works for Nordic Choice plays an important role, in following the hotel's environmental policy. We would be delighted if everyone at Nordic Choice shares our passion for the environment, and we encourage everyone to come up with suggestions for improving environmental work.

Media

We can occasionally be contacted by the media about events relating to Nordic Choice. This can often happen quickly, and a journalist may often want 'live' comments. Before making any statement to the media, you should always speak to your manager/ hotel director. Normally, only managers should make statements to the media. Our communications department can also be contacted for advice.



Suppliers

Our purchasing policy is available at [bychoice](#). This shall be followed in all contracts and agreements entered into, both locally and centrally. We also have a specific code of conduct for suppliers.

Competitors should be treated with respect

We should maintain positive and healthy relations with our competitors, and we shall always refer to them in a respectful manner. When cooperating with our hotel competitors, we should always be careful regarding the information we share.



CODE OF CONDUCT FOR SUPPLIERS

CODE OF CONDUCT for our suppliers



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NORDIC CHOICE HOTELS' CODE OF CONDUCT FOR **SUPPLIERS**

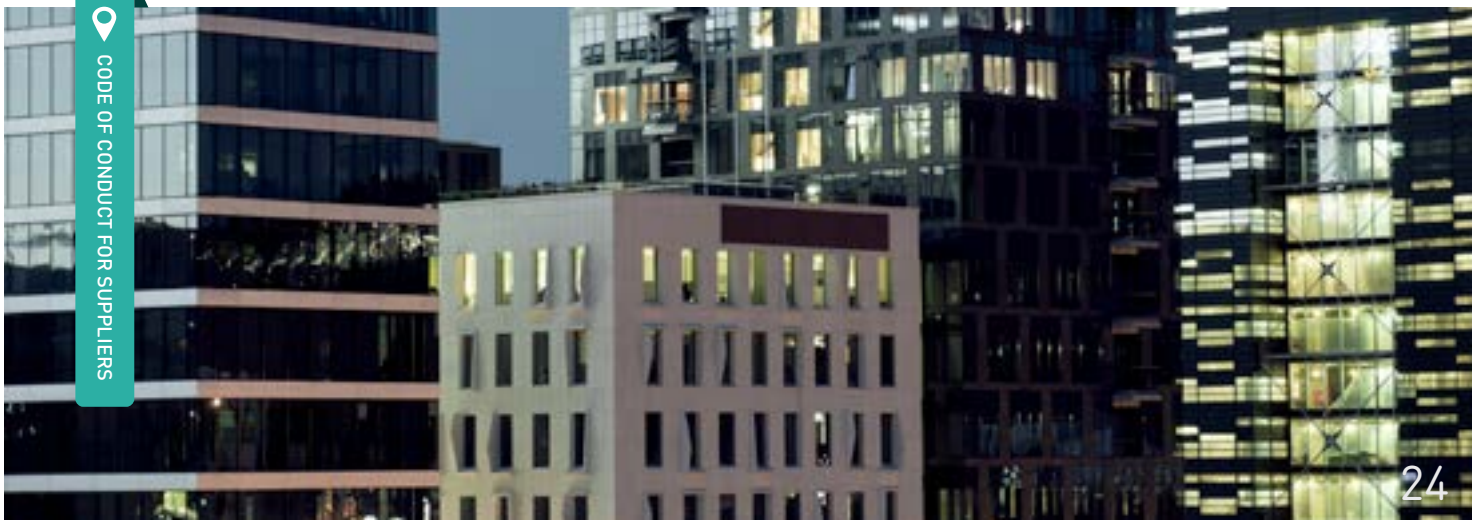
WHY DO WE NEED CODE OF CONDUCTS

At Nordic Choice Hotels (NCH), we recognise that our business affects working and environmental conditions of our suppliers. We believe that long-term cooperation and continual improvement with our suppliers can create lasting changes in our supply chain and provide business advantages for both our suppliers and ourselves.

To clarify the expectations we have for our suppliers in this work, NCH have created the following code of conduct for ethical business. The code of conduct covers basic requirements for human rights, workers' rights and the environment, and is based upon internationally recognised UN and ILO conventions. The fundamental aim behind this code of conduct is to **act in the best interests of children, employees, the wider world and the environment.**

Through this focus, we wish to contribute to our vision, 'With energy, courage and enthusiasm we can create a better world. We Care!' can be realised, and we hope that you, as a supplier, can contribute to this work.





The basis of our Code of conduct

We take the approach that long-term cooperation and continual improvement can generate lasting change in our supply chain.

NCH's cooperation with suppliers should be based upon confidence, honesty and respect, and all parties should maintain an open and constructive dialogue in their collaboration.

All information from suppliers shall be treated confidentially by NCH, our employees and any third parties.

NCH's Code of conduct applies to all aspects of our business, all our suppliers and our business partners.

Social and environmental standards will be emphasised in our selection of new suppliers.



How to work with our Code of conduct

Our suppliers shall supply goods and services to NCH which have been produced in accordance with the code of conduct. Suppliers shall disclose and monitor compliance with the code of conduct with their sub-contractors.

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

In the event of a breach of the code of conduct, the supplier shall inform NCH as quickly as possible so that NCH and the supplier can jointly prepare a plan for remedying the breach. The situation should be remedied without undue delay. The contract may be terminated if the supplier remains unwilling to remedy the breach following repeated enquiries.

NCH and its suppliers shall avoid partners that operate in countries subject to international boycott by the international community.

NCH will continue to work on improving their own policy and practice which can contribute to our suppliers complying with our code of conduct for ethical trade, and we will engage in regular dialogue with our suppliers to create improvements.

WHAT WE REQUIRE OF OUR SUPPLIERS

The code of conduct indicates our minimum standards.

1. Laws and regulations

- 1.1 National laws and regulations related to the supplier's industry, as well as international conventions relating to social conditions, working conditions, child labour and environmental protection, shall be respected.
- 1.2. The labour laws shall be respected in the workplace. Where national laws and regulations overlap with this code of conduct, the highest standard shall always apply.

2. Forced labour/slave labour

(ILO conventions No. 29 and 105)

- 2.1 There shall be no forced, bonded or involuntary prison labour.
- 2.2. 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.

3. Freedom of Association and the Right to Collective Bargaining

(ILO conventions Nos. 87, 98 and 135 and 154)

- 3.1. 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 or obstruct the formation of unions or collective bargaining.
- 3.2. Workers' representatives shall not be discriminated against and shall have access to carry out their representative functions in the workplace.
- 3.3. Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall within the frames of laws and regulations facilitate, and not hinder, the development of alternative forms of independent and free workers' representation and negotiations.



4 Child Labour

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

- 4.1 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, whichever of these is higher. If the local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- 4.2. There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
- 4.3. No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.
- 4.4. 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.

5 Discrimination

(ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)

- 5.1 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.
- 5.2. 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.



6 Harsh or inhumane treatment

- 6.1 Physical abuse or punishment, or threats of physical abuse, are prohibited. The same applies to sexual or other harassment and verbal abuse, as well as other forms of intimidation.

7 A healthy and safe working environment

(ILO convention No. 155 and Recommendation No. 164)

- 7.1 Adequate steps shall be taken to ensure employees a safe and hygienic working environment. 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.
- 7.2 Workers shall receive regular and documented health and safety training. Health and safety training shall be repeated for new or reassigned workers.
- 7.3 Workers shall have access to clean toilet facilities and potable drinking water. If appropriate, the employer shall provide sanitary facilities for food storage.
- 7.4 Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

8 Wages

(ILO Convention No. 131)

- 8.1 Wages and benefits paid for a standard working week shall as a 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.
- 8.2 All workers shall be provided with a written contract outlining their wage conditions and method of payments before entering employment. This contract shall be comprehensible for the employer.
- 8.3 Deductions from wages as a disciplinary measure shall not be permitted.

9 Working hours

(ILO konvensjon nr 1 og 14)

- 9.1 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.
- 9.2. Workers shall be provided with at least one day off for every seven-day period.
- 9.3. Overtime shall be limited and voluntary. The 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 or national law.
- 9.4. Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 9.1 above), minimum in accordance with relevant legislation.

10 Regular employment

- 10.1 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.
- 10.2. All workers are entitled to a contract of employment in a language they understand.
- 10.3. The duration and content of apprenticeship programmes shall be clearly defined.

11 Marginalised populations

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

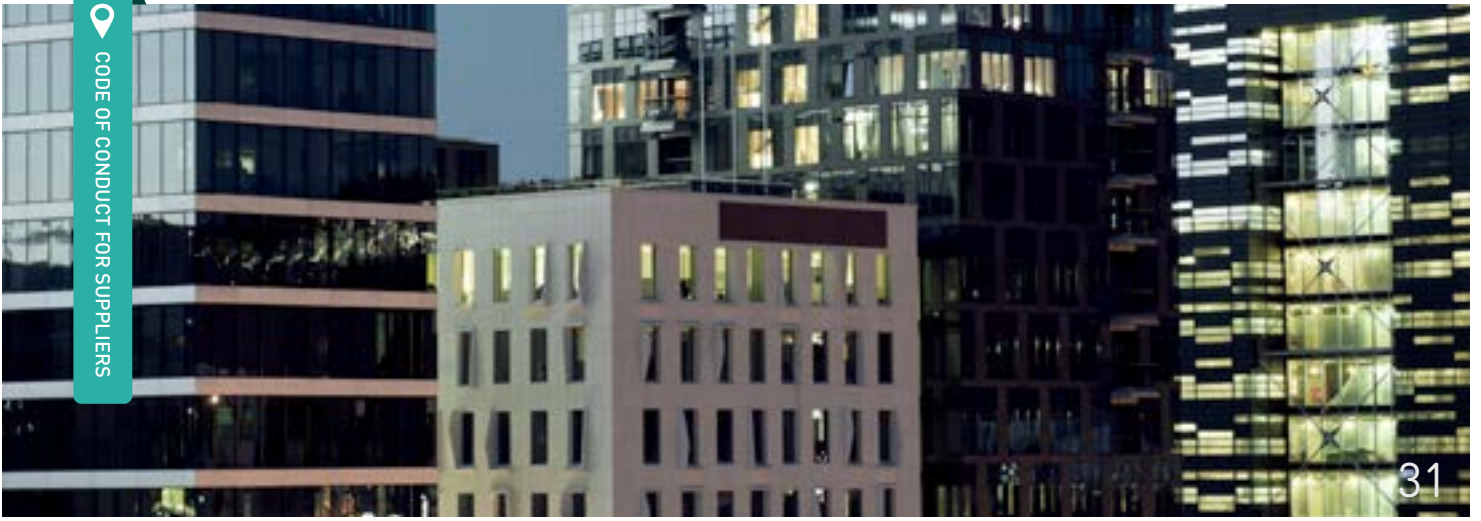


12 Environment

- 12.1 Measures to minimise adverse impacts on human health and the environment shall be taken throughout the value chain. This includes minimising pollution, promoting an efficient and sustainable use of resources, including energy and water, and minimising greenhouse gas emissions in production and transport. Local, regional and global environmental conditions should be protected, wherever possible.
- 12.2 National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained, where necessary.
- 12.3. Serious environmental pollution should be avoided, and dangerous chemicals and other products should be handled appropriately.
- 12.4. Woods from tropical rainforest shall not be used for the construction of buildings or products to be used by NCH.

13 Animal welfare

- 13.1 Ethical conditions such as traceability, sustainability, safety and animal welfare through the entire lifespan of the animal shall be considered in the preparation of animal products for NCH.
- 13.2. Food products shall not contain products/species specified on our Red List. NCH shall endeavour to ensure that suppliers of foodstuffs to NCH always have the most recent version of our Red List available to them.
- 13.3. Fur from animals specifically bred or captured for their fur shall not be used in the production of products for NCH.
- 13.4. Down, leather and skin products shall only be produced from the by-products of food production.
- 13.5. Wool from sheep which have undergone mulesing shall not be used in the production of products for NCH.
- 13.6. No animal testing shall be performed during the production of cosmetics, skincare products and household products for NCH.



14 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.

NCH is a member of Ethical Trade Initiative Norway, which has developed the basis for this code of conduct.

