



REITAN  
EIENDOM

21 March 2023, Lade Gaard  
Chief ESG Officer, Reitan Eiendom

# SUPPLIER CODE OF CONDUCT – REITAN EIENDOM

## 1. Background and purpose

Reitan Eiendom (hereinafter referred to as the Company) believes that impeccable business ethics and a commitment to close cooperation with business partners and suppliers is a good recipe for being a responsible real estate enterprise. The Company has prepared this Supplier Code of Conduct (SCoC) to reinforce its value chain efforts by implementing a set of requirements and expectations for the suppliers. The SCoC establishes several requirements that cover basic human rights, worker rights, the environment and anti-corruption.

Partners and clients must have complete confidence that the Company's projects and properties are developed and operated in a responsible manner. Compliance with the SCoC will ensure that we live up to this standard.

## 2. Human rights due diligence requirements

The (Norwegian) Transparency Act (effective 1 July 2022) obligates Reitan Eiendom to conduct regular human rights due diligence of their value chains, suppliers and business partners. In this context, we refer to the statutory definition of 'human rights due diligence' provided in Section 4 of the Transparency Act. The Act aims to promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services. Reitan Eiendom will make human rights due diligence a permanent item on its agenda. Human rights due diligence is an internationally recognised method used to map, prevent, limit and account for how enterprises handle potential negative impacts on people, society and the environment in their own activities and in the supplier chains.

Reitan Eiendom also expects the Company's suppliers to apply human rights due diligence as a method in their work.

For suppliers subject to the Transparency Act, this entails a minimum requirement of compliance and verification vis-à-vis Reitan Eiendom.

For foreign suppliers (or other relevant suppliers) that are not subject to Norwegian human rights due diligence legislation, this means a minimum requirement of compliance with the OECD Guidelines for Multinational Enterprises and verification vis-à-vis Reitan Eiendom.

For example, this means that work aimed at promoting human and labour rights, addressing social and community issues and environmental concerns is enshrined in governing documents and forms a fundamental backbone for the supplier's activities. Furthermore, it means a commitment to map the risk of negative impacts on people, society and the environment, and to implement measures based on this assessment, as well as a verification commitment vis-à-vis Reitan Eiendom. In addition to this, the Company's suppliers must contribute to remediation in cases where they have caused or contributed to harm.

Reitan Eiendom expects the Company's suppliers to adhere to the requirements stated in this SCoC by making work with human rights due diligence a permanent item on their agenda. Suppliers must inform their own sub-suppliers about the requirements, who in turn will inform their sub-suppliers, etc. The Company will actively work to ensure implementation of the requirements by working on human rights due diligence. In other words, this SCoC describes the code of conduct for the entire value chain.

The Company's Supplier Code of Conduct is based on internationally recognized standards and principles from the UN and the International Labour Organization (ILO), and describes minimum requirements, not maximum requirements. National legislation must be followed. Where statutory provisions and this SCoC address the same subject, the highest standard shall prevail.

### **3. Requirements related to our own practices: What we demand from ourselves**

As part of our work on human rights due diligence, Reitan Eiendom continuously evaluates and improves its guidelines and procurement practices in an effort to contribute to its suppliers' and sub-suppliers' compliance with the SCoC. Reitan Eiendom will inform suppliers about such potential updates of or corrections to the SCoC, and will give its suppliers and business partners reasonable advance notice if new requirements should arise.

Reitan Eiendom believes that constructive and open dialogue is crucial. When needed, the Company is prepared to be a sparring partner in the suppliers' work on human rights due diligence and compliance with Reitan Eiendom's requirements.

Neither Reitan Eiendom nor employees of Reitan Eiendom will ever offer or accept unlawful or unjust monetary gifts or any other form of remuneration for securing business-related or private advantages or advantages for clients or suppliers.

Reitan Eiendom and Reitan Eiendom's suppliers shall avoid partners that operate in countries subject to international boycott by the UN and/or Norwegian authorities.

### **4. Procedures to follow up the requirements stated in this Code of Conduct**

Upon request, suppliers must be able to document their work on human rights due diligence in accordance with applicable sets of rules (the Transparency Act for Norwegian suppliers and the OECD Guidelines for foreign suppliers).

Follow-up can take place through conversations, written documentation, visits/local verification at the supplier's premises, or at the premises of manufacturers and their suppliers throughout the value chain. Reitan Eiendom can conduct announced and unannounced local verifications/audits and document checks at the supplier's premises and throughout the supplier chain. Suppliers are

responsible for ensuring their sub-suppliers honour these verification and access rights. If Reitan Eiendom wants to map all sub-suppliers, the supplier is required to provide all relevant contact information.

Once the SCoC has been communicated to a specific supplier, it shall be considered a contract document and an integral part of any contract entered into between the relevant Reitan Eiendom company and the supplier. In the event the supplier deviates from the SCoC, Reitan Eiendom and the supplier will draw up a plan together to close the nonconformity. The supplier must do their best to implement corrective actions within the agreed timeframe and inform Reitan Eiendom about all such actions.

If (i) a supplier is unwilling or unable to carry out the corrective actions Reitan Eiendom finds necessary in order to comply with this SCoC, or (ii) the supplier or any of its sub-suppliers has committed a material breach or repeated breach of the SCoC requirements, Reitan Eiendom is entitled to terminate the business relationship and any contract(s) with the supplier. Such termination shall be effective as of the date stated in a written termination notice from Reitan Eiendom. This provision has no bearing on additional rights and obligations Reitan Eiendom or the supplier may have pursuant to other contract documents.

The management system is key for implementing the SCoC. Reitan Eiendom emphasises the importance of suppliers having systems that support such implementation. The expectations in this context are summarised in the following measures:

- The supplier should designate a key employee as responsible for implementing the SCoC in the supplier's business.
- The supplier must ensure that all relevant parts of the organisation are familiar with the SCoC.
- The supplier must register sufficient material to document compliance with the SCoC and be able to present information upon request from Reitan Eiendom. If requested by Reitan Eiendom, an auditor designated by Reitan Eiendom must be given access to archives and other documentation to confirm such compliance.
- When suppliers engage sub-suppliers to deliver products to Reitan Eiendom, it must be possible to trace each product through every part of the production and distribution chain, including the final production site. Upon Reitan Eiendom's request, the supplier must inform Reitan Eiendom about all relevant sub-suppliers and production sites and present relevant contact information.

## **5. Forced and compulsory labour (ILO Conventions 29 and 105)**

There must be no forced, compulsory or involuntary labour or prison labour in the supplier's production and distribution chain. Workers must be free to leave the work area at the end of the day.

Workers must not be required to pay a deposit or surrender identity documents to the suppliers' companies (their employer) and must be free to leave their employer after giving reasonable notice.

## **6. Freedom of association/organisation and the right to collective bargaining (ILO Conventions 87, 98, 135 and 154)**

All the supplier's workers must have the right to join or form trade unions of their own choice and to engage in collective bargaining. The supplier must not impede the formation of associations or collective negotiations.

Worker representatives must not be subject to discrimination and must have the access required to carry out their representative functions in the workplace.

Where the freedom of association and/or the right to collective bargaining is limited by law, the employer must facilitate, and not prevent, the development of alternative forms of independent and free worker representation and negotiations.

## **7. Child labour (the UN Convention on the Rights of the Child, ILO Conventions 138, 182 and 79, and ILO Recommendation 146)**

The minimum age for workers must (i) not be under 15 and must comply with (ii) the national minimum employment age or (iii) the age for completing compulsory education. If the local minimum is set at age 14 pursuant to the exception for developing countries under ILO Convention 138, this lower age can apply.

There must be no use of child labour, defined as work carried out by a child younger than the age(s) specified above.

No person under the age of 18 must be engaged in work that can jeopardise their health or safety, or be morally offensive, including night work.

Guidelines and procedures for remediation in instances of child labour prohibited under ILO Conventions 138 and 182 must be established, documented and communicated to personnel and other interested parties. Sufficient support must be provided to ensure that such children participate in and complete compulsory education. Reitan Eiendom must be made aware of all such instances for discussion and/or review.

The supplier must have a certified copy of an official document showing the worker's date of birth. In countries where this is not possible, the supplier must implement a suitable method for evaluating the age of their workers.

## **8. Discrimination (ILO Conventions 100 and 111 and the UN's Convention on the Elimination of All Forms of Discrimination against Women)**

There must be no discrimination in the workplace in connection with employment, compensation, access to training, promotion, termination or retirement based on ethnic background, nationality, language, religion, caste, age, functional disability, gender, marital status, sexual orientation, association membership or social or political affiliation or differing opinions or viewpoints.

Measures must be established to protect workers against sexually intrusive, threatening, abusive or exploitative behaviour, as well as against discrimination or termination of employment on an unjustified basis, e.g. marriage, pregnancy, parenthood or HIV status.

## **9. Cruel or inhuman treatment (Article 7 of the UN's International Covenant on Civil and Political Rights)**

Reitan Eiendom expects suppliers to facilitate safe workplaces with zero tolerance for breaches of basic human rights. Physical abuse, punishment, or threats of physical assault, sexual or other harassment and verbal abuse, as well as other forms of intimidation (scare tactics), are prohibited.

## **10. Health and safety (ILO Convention 155 and ILO Recommendation 164)**

The working environment must be secure and hygienic, in line with current knowledge about the industry and any specific risks. Hazardous chemicals and other substances must be handled carefully. Adequate precautions must be taken to avoid accidents, fires and harm to health that arises from, is associated with, or occurs during the work, by minimising the risk factors associated with the working environment insofar as feasible.

Workers must receive regular and documented health and safety training, and such training must be repeated for new or transferred workers. Periodic training should be provided to workers in hazardous areas.

Access to clean toilet facilities as well as drinking water must be ensured, as well as access to sanitary facilities for food storage, if relevant.

When provided, accommodation must be clean, safe and sufficiently ventilated, and must have access to clean toilet facilities and drinking water.

## **11. Hiring and the employment relationship**

### **Wages (ILO Convention 131)**

Wages and benefits paid for a standard work week must, as a minimum, comply with national legal standards or industrial standards, whichever are highest. Wages should always be sufficient to cover basic needs. All workers must be given a written and understandable contract describing their wage conditions and payment method before they are employed. Wage deductions as a disciplinary measure are not permitted.

### **Work hours (ILO Conventions 1 and 14)**

Work hours must comply with national laws and industry standards, and must not exceed relevant international standards. Weekly work hours must not exceed 48 hours on a regular basis. Workers must be given at least one day off for each seven (7) day period.

Overtime must be voluntary and limited. The recommended maximum overtime is 12 hours per week, meaning that the total work week including overtime must not exceed 60 hours. Exceptions from this are accepted when this is governed by a collective bargaining agreement. Workers must always receive overtime payment for all hours worked beyond normal work hours (see previous paragraph), as a minimum pursuant to relevant legislation.

### **Permanent employment (ILO Conventions 95, 158, 175, 177, 181)**

Obligations to employees under international conventions, national laws and provisions concerning permanent employment must not be avoided through the use of short-term contracts (such as contract work, casual work or day labour) or sub-contractors.

Before commencing work, all workers are entitled to an employment contract in a language they understand, which describes their wage conditions, including the payment method. The duration and content of training, potential probation period and apprenticeship programmes must be clearly defined.

## **12. Marginalised populations (Articles 1 and 2 of the UN's International Covenant on Civil and Political Rights)**

Production and use of natural resources must not contribute to destruction of the resources and livelihood of marginalised population groups; for instance claiming large land areas or using water or other natural resources which are essential for such groups' way of life.

## **13. The environment**

Measures to minimise adverse impacts on human health and the environment must be implemented throughout the value chain. This includes minimising pollution, contributing to efficient and sustainable use of resources, including energy and water, and minimising emissions of greenhouse gases in production and transport. The local environment in the production area must not be subject to exploitative or destructive use. The supplier must limit their own waste through efficient use of resources and good source separation.

Environmental criteria must be established in all procurement activities for the Company. Reitan Eiendom chooses environmentally certified suppliers over suppliers that cannot document environmentally sound operations, and/or that only provide a limited selection of environmentally sound products.

The supplier must exercise corporate social responsibility in its choice of materials. The consideration for sustainable development must be preserved, for example by not using materials produced from endangered species, materials that could negatively impact the environment or materials manufactured in violation of provisions in the Convention on the Rights of the Child, the European Convention on Human Rights, etc.

Materials with approved eco-labelling and materials that can be recycled or reused will be preferred.

National and international environmental legislation and provisions must be respected, and relevant emission/discharge permits must be secured.

The supplier must ensure that no palm oil is used at any point in the value chain; thus contributing to prevent deforestation. The use of soy must be reduced.

## **14. Animal welfare**

As regards animal-based products, careful consideration of animal welfare must be ensured throughout the value chain. As a minimum, the supplier must comply with local legislation.

## **15. Ethics and integrity**

### **Corruption**

The supplier must comply with relevant legislation concerning bribery, corruption, fraud and all other prohibited business practices. The supplier must not offer, promise or provide any improper consideration, favour or incentive to any public official, international organisation or any other third party.

The supplier must not, directly or indirectly, offer gifts to Reitan Eiendom employees, people who represent Reitan Eiendom or any of their close relations, unless the gift is of insignificant value. Hospitality, such as social gatherings, meals or entertainment can be offered if a legitimate business purpose is involved, and the cost is kept within reasonable limits. Travel expenses for people

representing Reitan Eiendom must be paid by Reitan Eiendom. Hospitality, expenses or gifts must not be offered or accepted in situations involving contract offers, negotiations or awards.

### **Competition law**

The supplier must exercise a high level of business ethics and must under no circumstances cause or be complicit in any violation of general or special competition provisions or statutes, such as unlawful price competition or unlawful market sharing.

## **16. Confidentiality agreement**

The supplier's own personnel, contracted personnel and companies they represent are obligated to preserve full confidentiality surrounding any and all information the person may learn about Reitan Eiendom and Reitan Eiendom's subsidiaries/business associates while working for the Company/its subsidiaries. This duty of confidentiality applies not only externally, but also vis-à-vis other employees who are not authorised to access the relevant information. The duty of confidentiality also remains in effect after the agreement between the parties is terminated.

The supplier is liable for losses that may occur as a result of a breach of confidentiality, including losses caused by a representative from the supplier's company acting in violation of the duty of confidentiality. This relates to both financial and non-financial loss, including any loss of goodwill that Reitan Eiendom or any of the Company's subsidiaries/business associates may experience. The supplier acknowledges that such loss will be considered to have occurred as long as it can be substantiated that the breach has occurred, even if the actual loss cannot be documented beyond a discretionary stipulation.

## **17. Approval and revision**

This policy was adopted by the Board on 21 March 2023. The policy will be reviewed for potential revisions and adjustments every two years.

## **18. References**

International Bill of Human Rights

ILO Declaration on Fundamental Principles and Rights at Work (1998/2022)

United Nations Guiding Principles on Business and Human Rights

OECD Guidelines for Multinational Enterprises

OECD Due Diligence Guidance for Responsible Business Conduct