

PSTech_Policy for responsible business conduct in Pure Salmon Technology

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1 Introduction

Pure Salmon Technology (PSTech) strives towards responsible business conduct that respects people, society, and the environment. This policy, together with our Code of Conduct, is one of the key elements of our sustainability work. Passed by the Pure Salmon Technology board. Last modified (01.04.2023).

This policy applies all our employees, directors and others that act on behalf of PSTech. As a member of Ethical Trade Norway all employees commits to working actively with due diligence for responsible business conduct¹. Due diligence is a risk-based approach to respect and safeguard people, society, and the environment in our own business and throughout our supply chains. We expect our suppliers and partners to follow the same approach.

PSTech considers responsible business conduct to be a prerequisite for sustainable development. Sustainable development means that today's generation get their needs covered without compromising the ability of future generations to meet their own needs². The UN SDGs provide a comprehensive and broadly recognized framework with a set of meaningful and pragmatic objectives towards which Pure Salmon Technology steers its global business. Pure Salmon Technology believes that companies which aim to advance towards one or more of the UN SDGs are better positioned to deal with global challenges deriving from the reality that the world's resources are limited, that stricter regulations are required to mitigate climate change related risks, and that facing these challenges, key stakeholders including end consumers are becoming rapidly and increasingly demanding regarding sustainable development issues. PSTech seeks to actively to contribute to UN SDGs that are most relevant to its business.

1.1 Requirements - own business

PSTech acknowledges that our activities can potentially have negative impact on people, society, and the environment. At the same time, we see the potential to contribute positively to improvements throughout our supply chains. With this in mind, we have compiled the following principles and criteria guiding our own business:

¹ UN OHCHR, *Guiding Principles on Business and Human Rights (UNGPs)*, 2011; OECD, «*Due Diligence Guidance for Responsible Business Conduct*», 2018.

² *The Brundtland commission, «Our Common Future», 1987*

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1.1.1 Due diligence

PSTech shall conduct due diligence for responsible business conduct. This involves conducting risk assessments to identify potential negative impact on people, society, and the environment and to prevent, reduce, and stop such impact. The measures put in place are monitored and their effect evaluated. The measures are communicated to those affected by our actions. If our activities are found to cause or contribute to negative impact on people, society, or the environment, we will stop the activities and seek to provide remedy. If our supplier is responsible for the negative impact, the supplier is responsible for providing remedy.³

1.1.2 Responsible purchasing practices

PSTech considers responsible purchasing practices to be one of our most important tools for responsible business conduct. PSTech shall adapt our purchasing practices to strengthen, and not undermine, our suppliers' ability to deliver on our requirements related to people, society, and the environment. We strive towards lasting supplier relationships with suppliers who show a specific willingness and ability to create positive developments in the supply chain.

1.1.3 Freedom of association and worker representation

PSTech supports the right to freedom of association and other forms of democratically elected worker representation. We shall involve worker representatives and other relevant stakeholders in our work with responsible business conduct as may be required by applicable law.

1.1.4 Supplier development and partnership

In our dialogue with suppliers we will lay the foundation for collaboration with suppliers that shows the willingness and ability to work on positive development for people, society, and the environment in our supply chains.

1.1.5 Anti-corruption

PSTech, including all employees, shall never offer or receive illegal or inappropriate monetary or other gifts or remuneration to achieve private or business benefits in their own interest or in the interest of customers, agents, or suppliers. The PSTech Code of Conduct document shall be read by all employees, and the Code of Conduct training in the Academy is an annually obligatory course.

1.1.6 Countries affected by trade boycott

PSTech and all our suppliers and partners shall avoid trading with partners that have activities in countries where a trade boycott is imposed by the UN, EU and/or Norwegian Government authorities.

³ OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.

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1.1.7 Requirements - conditions in the supply chain

We expect our suppliers and partners to focus on and systematically comply with our guidelines for suppliers, hereunder our Code of Conduct, that covers fundamental requirements on human rights, labour rights, anti-corruption measures, animal and fish welfare, and the environment. Our suppliers shall:

- Follow our guidelines for suppliers, hereunder the Code of Conduct.
- Conduct due diligence for responsible business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society, and the environment and to prevent, reduce, and stop such impact. The measures put in place must be monitored and their effect evaluated. The measures taken must be communicated to those affected by our suppliers' actions. If the supplier is responsible for the negative impact/damage, they are responsible for providing remedy.⁴
- Show willingness and ability for continuous improvement in favour of people, society and the environment, through collaboration.
- At the request of PSTech be able to document how they, and potential subcontractors, work to comply with the guidelines.

If the supplier, after several requests by PSTech, does not show the willingness or ability to comply with the guidelines for suppliers, the contract may be cancelled.

2 Principles for responsible business conduct

These principles for responsible business conduct are based on UN and ILO conventions and provide minimum, not maximum standards. The relevant legal framework at the place of production shall be respected. Where national laws and regulations address the same subjects as these guidelines, the most stringent shall apply.

2.1 Forced and compulsory labour (ILO Conventions Nos. 29 and 105)

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

2.2 Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154)

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

⁴ OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.

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- 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.

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

- The minimum age for workers shall not be less than 15 and shall comply with the national minimum age for employment, or the age of completion of compulsory education, whichever of these is higher. If the local minimum age is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
- No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety, or morals, including night work.
- 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.

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

- There shall be no discrimination or harassment 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.
- Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination, harassment, or termination of employment on unjustifiable grounds, e.g., marriage, pregnancy, parenthood or HIV status.

2.5 Harsh or Inhumane Treatment (UN Covenant on Civil and Political Rights, Art. 7)

- 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.

2.6 Health and Safety (ILO Convention No. 155 and ILO Recommendation No. 164)

- 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.

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- Workers shall receive regular and documented health and safety training, and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe, and adequately ventilated, and shall have access to clean toilet facilities and potable water.

2.7 Wages (ILO Convention No. 131)

- 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.
- All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.
- Deductions from wages as a disciplinary measure shall not be permitted.

2.8 Working Hours (ILO Convention No. 1 and 14)

- Working hours shall comply with national laws and benchmark industry standards, and not more than the prevailing international standards. Weekly working hours should not on a regular basis be more than 48 hours.
- Workers shall be provided with at least one day off for every 7-day period.
- 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 can be accepted when regulated by a collective bargaining agreement.
- Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 8.1 above), to the least in accordance with relevant legislation.

2.9 Regular Employment (ILO Convention No. 95, 158, 175, 177 and 181)

- Obligations to employees under international conventions, national laws 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.
- All workers are entitled to a contract of employment in a language they understand.
- The duration and content of apprenticeship programs shall be clearly defined.

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

- Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and/or of the 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.

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2.11 Environment

- Negative impact on the environment shall be reduced throughout the value chain. In line with this precautionary principle, measures shall be taken to continuously minimize the emission of greenhouse gases (GHG) and local pollution, the use of harmful chemicals and pesticides, and to ensure sustainable resource extraction and management of water, oceans, forests, and land, and the conservation of biodiversity.
- National and international environmental legislation and regulations shall be respected, and relevant discharge permits always obtained.
- Providing environmental information to external stakeholders in accordance with applicable legislation to ensure transparency and accountability.

2.12 Animal and fish welfare

- Animal and fish welfare shall be respected. Measures should be taken to minimize any negative impact on the welfare of livestock and working animals.
- National and international animal and fish welfare legislation and regulations shall be respected.

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