

Supplier Code of Conduct Declaration

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Preamble

IBG AS offers sale and distribution of building materials, tools and equipment, as well as graphic and fine art materials. We are committed to conducting its business in an ethical, legal, environmentally, and socially responsible manner. We expect similar principled conduct from everyone with whom IBG has commercial dealings. Further, IBG strives to continuously improve the sustainability of its operations and products, and encourages its suppliers to participate in this effort by adopting sustainable practices in their operations.

The IBG Supplier Code of Conduct Declaration (the “Code”) sets out the requirements expected of our Suppliers regarding compliance with laws and regulations, corruption and bribery, social and working conditions, and protection of the environment. The Code is informed by internationally recognized principles such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the International Labour Organization’s fundamental conventions. The IBG Supplier Code of Conduct Declaration is to be seen in compliance with the Norwegian domestic regulation; “The Transparency Act” (Åpenhetsloven).

Our goal is to work with our Suppliers to assure compliance with these requirements as they, in turn, take the responsibility to implement these requirements and necessary due diligence processes with their own employees, agents, temporary workers, subcontractors, homeworkers, suppliers, and sub-suppliers with whom they work with in the delivery of goods and services to IBG.

Compliance with laws and regulations

Suppliers shall comply with all applicable domestic and international laws and regulations, industry standards, and all other relevant statutory requirements whichever requirements impose the highest standards of conduct.

Doing business with integrity

Suppliers shall conduct their business in accordance with the highest ethical standards. Suppliers shall comply with all applicable domestic and international laws and regulations, particularly concerning corruption, bribery, anti-trust / competition, intellectual property, and conflicts of interest.

Anti-Corruption / Anti-Bribery: Suppliers shall not, directly, or indirectly, engage in any act of corruption, extortion, or embezzlement, nor in any form of bribery. This includes but is not limited to the promising, offering, giving, or accepting of any improper monetary or other incentive such as bribes, unreasonable business entertaining and gifts as well as kickbacks.

Anti-Trust / Free Competition: Suppliers shall commit to the principle of free competition and not engage in collusive bidding, price fixing, price discrimination, or other unfair trade practices.

Intellectual Property: Suppliers shall respect the intellectual property of others. Suppliers shall take appropriate steps to safeguard and maintain confidential and proprietary information or trade secrets of its business partners and use such information only for the purposes authorized in contractual agreements. In case of subcontracting, sharing of confidential information of IBG should only be made with the consent of IBG.

Conflicts of Interest: Suppliers will disclose to IBG any situation that may appear to be a conflict of interest, and disclose to IBG if any employee from IBG, one of their family members, or a friend may have an interest of any kind in Supplier's business or any kind of economic ties with Supplier.

Social and working conditions

Suppliers shall recognize and be committed to upholding the human rights of their employees and treat them with dignity and respect as understood by the international community. Our Suppliers shall respect the following standards, irrespective of the applied working arrangement, be it direct employment, labor contracting, subcontracting, homeworkers or any other form.

Freely Chosen Employment: Suppliers shall not, under any circumstances, use forced, bonded or indentured labor or involuntary prison labor. Employment is voluntary. Suppliers shall have implemented policies that directly or indirectly prohibit that recruitment (position within a company) is paid for by the migrant worker.

Child Labor Avoidance: Suppliers shall not, under any circumstances, use child labor as defined by ILO and United Nations Convention and / or national law, whichever is more stringent.

Compensation: Suppliers shall comply with all applicable laws, regulations, and industry standards concerning wages and benefits. Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards, or comply with legally binding, freely negotiated collective bargaining agreements, whichever is higher. They should always be sufficient to meet basic needs of workers and their families. Deductions from wages as a disciplinary measure shall not be permitted unless authorized by applicable law and by a freely negotiated collective bargaining agreement in force.

Working Hours: Suppliers shall comply with all applicable laws, regulations, and industry standards on working hours. Unless applicable laws, regulations or industry standards are more restrictive, the maximum working hours in a week shall not, on a regular basis, exceed the maximum allowable overtime hours in a week set by the government of the establishment. Employees shall be provided with at least one day off for every 7-day period, unless exceptions defined by law or a freely negotiated collective bargaining agreement apply.

Non-Discrimination: Suppliers shall strictly adhere to all applicable laws and regulations prohibiting discrimination in hiring and employment on the grounds of gender, age, religion, political opinion, union affiliation, health condition, national or social origin, sexual orientation, ethnicity or color or other basis prohibited by law.

Harassment, Abuse and Disciplinary Practices: Suppliers shall not engage in physical, mental, verbal, sexual or any other abuse, inhumane or degrading treatment, corporal punishment or any form of intimidation. Suppliers shall comply with local laws and regulations on disciplinary practices.

Freedom of Association and Collective Bargaining: Suppliers shall respect the rights of employees to form and join trade unions and bargain collectively. If Suppliers operate in a country where these rights are impaired by the law, they shall allow their employees to freely elect their own representatives which can enter into dialogue with the Supplier about working conditions.

Health and Safety: Suppliers shall provide their employees with a safe and healthy workplace in compliance with all applicable laws, regulations, and industry standards, especially with view to building safety, housing conditions, electrical installations, machine safeguarding and personal protective equipment. Suppliers shall involve workers in the process of identifying and mitigating risks to worker's health and safety.

Working Conditions: Suppliers shall provide their employees with adequate working facilities which, at a minimum, shall ensure reasonable access to potable drinking water and sanitary facilities, fire safety, access to emergency medical care, and adequate lighting and ventilation.

Minority Rights: Suppliers shall ensure that any differential treatment towards groups or persons belonging to such groups does not mask discriminatory practices and policies. Providing minority rights are about ensuring respect for distinctive identities.

Environment

Suppliers recognize that environmental responsibility is integral to producing high quality products and strive to continuously improve their environmental performance. Suppliers shall comply with all applicable environmental laws, regulations, and industry standards. Suppliers shall implement policies and procedures to identify, prevent and minimize relevant negative environmental impacts. This includes information and training of relevant employees. Further, Suppliers shall comply with any additional environmental requirements specific to the products or services being provided to IBG as called for in design and product specifications and contract documents.

Hazardous Substances: Suppliers shall minimize the use of hazardous substances and ensure that all hazardous substances are safely handled, stored, and disposed. Suppliers shall inform employees on relevant safety practices and provide appropriate training.

Resources: Suppliers shall minimize their negative impacts on natural resources, including air, land, forests, and water as well as ensuring animal welfare. Suppliers shall optimize their resource consumption, including raw materials, water, and energy.

EU Timber Regulation (EUTR): Suppliers shall comply to The Timber Regulation outlined the obligations of operators who place timber and timber products on the market to counter the trade of illegally harvested timber and timber products.

We, as an importer placing timber on the European market are required to perform a yearly due diligence where we gather information from our suppliers and perform a risk evaluation within our company. In case you are a supplier of timber products, you oblige to present us the information regarding tree species, region and land of felling, suppliers name and address, as well as shipping address, shipping and custom papers, and confirmation of compliance with applicable legislations (FSC documentation or other).

Waste & Emissions: Suppliers shall minimize disposal of solid waste, wastewater and other emissions to prevent pollution of air, water, and soil. Suppliers shall strive to minimize their greenhouse gas emissions. Waste shall be sorted into fractions and delivered to the landfill based on the local government rules and regulations.

Conflict Minerals: The Conflict Minerals Regulation aims to help stem the trade in four minerals – tin, tantalum, tungsten and gold – which sometimes finance armed conflict or are mined using forced labour. Suppliers shall ensure that, if these minerals are used in the supplied products, that these minerals and metals origin from responsible and conflict-free sources only. If the minerals and materials cannot be guaranteed to source from responsible and conflict-free sources only, IBG shall be informed as soon as possible, for a risk assessment to be performed.

Communication and implementation

Suppliers shall effectively communicate the content of this Code to all their employees, agents, subcontractors, suppliers, and sub-suppliers with whom they work with in the delivery of goods and services to IBG and conduct due diligence to assure its implementation.

Subcontractor and supplier management

Suppliers shall conduct due diligence on their subcontractors, suppliers, and sub-suppliers in order to verify compliance with the Code. Suppliers shall therefore assess the risk for potential breaches of the Code in their own supply chains, which may include farms and plantations, and implement adequate compliance monitoring measures based on this risk assessment. If non-compliances are identified, Suppliers shall take necessary improvement measures or cease business with subcontractors, suppliers, and sub-suppliers if no improvements can be achieved.

If the business or any of its subcontractors, during the last 5 years, have been listed on or sanctioned by the UN, EU, US or a local sanction or watch list due to, for example, organized crime, money laundering, terrorism, terrorist financing or other economic crime, we request you to inform us about this within 14 days of providing us this signed declaration.

Monitoring / record keeping

Suppliers shall maintain documentation appropriate to demonstrate adherence to the Code for its own operations. Suppliers shall also maintain documentation on the due diligence process in their own supply chains, including agricultural production. Suppliers shall provide IBG with this documentation and other information demonstrating adherence to this Code upon IBG's request.

Assessments and potential impacts on business relationship to IBG

Suppliers shall conduct regular internal assessments to assure their compliance with the Code. IBG reserves the right to conduct (or have its designee conduct) unannounced inspections of Suppliers and their facilities to verify compliance with the Code. Suppliers shall inform IBG if any agreements with other partners stand in contradiction to this requirement, in which case IBG will ensure the inspection is carried out by a third party, respecting concerned agreements. In addition to any other contractual rights of IBG, Suppliers' failure to adhere to the Code may result in IBG ceasing to do business with offending Suppliers.

Supplier's declaration of compliance

Every supplier of IBG is required to sign a declaration of compliance to acknowledge and confirm its compliance with the principles and requirements of the newest communicated version of the Code.

Development of the code

IBG will review this Code on a regular basis and will introduce revisions where necessary or appropriate. IBG will notify its Suppliers of any important changes.

Compliance Declaration

We, the undersigned hereby confirm:

1. By signing this document we confirm that we fulfil the requirements in the Supplier CoC Declaration. We agree that IBG AS may audit our practices in the aforementioned areas so as to make sure we comply with the requirements. A performed audit will be with the aim of improving compliance with national and international rules. We shall together seek improvements. We are aware that where a deviation can not be improved the business relations may be terminated.
2. That we have received and taken due note of the version 2023 of the IBG Supplier Code of Conduct (the "Code") and commit ourselves, in addition to our commitments as set out in the supply agreements with IBG, to fully comply with its principles and requirements.
3. That we agree that IBG or a third party appointed by IBG may carry out periodic, unannounced inspections / audits on our facilities to verify our compliance with the Code, respecting existing agreements with other partners upon our request.
4. That we effectively communicate the contents of the Code to our employees, agents, subcontractors, suppliers, and sub-suppliers with whom we work with in the delivery of goods and services to IBG and conduct due diligence to assure its implementation. We also confirm that we have noted that compliance to the Code is an essential prerequisite for business relations between IBG and us as Supplier for IBG.
5. That we as a Supplier to IBG focus on production of safe-to-use products, the environment, sustainability and working conditions in the production processes.
6. You as a supplier oblige to notify us in case of compliance breaches (compliances outlined in this declaration) are reported within your company or your sub-suppliers.

Declaration signed by supplier:

Company Name: _____

Company Address: _____

Name: _____ Name: _____

Function: _____ Function: _____

Place, date: _____ Place, date: _____

Signature: _____ Signature: _____

The Compliance Declaration must be signed by a duly authorized representative of the company and returned to the assigned IBG AS contact within 14 working days of receipt.