

Supplier Code of Conduct

Mission Statement

Gelato ASA (“Gelato”) is committed to conducting its business in an honest, ethical and transparent manner while ensuring compliance with all applicable local and international laws including standards/conventions as prescribed by the International Labour Organisation, United Nations’ guiding principles on business and Human rights and the 10 principles of United Nations’ Global Compact.

Core principles

1. Human rights

Gelato’s principles confirm their faith in fundamental human rights. The following shall serve as a guideline to comply with the core principles of Human rights.

Prevention of child labour

The use of child labour is strictly prohibited. Supplier shall take all necessary measures to ensure that there are no incidents of child labour either at their own place of production/operations, within its supply chain or any of its related entities.¹

Forced or compulsory labor

Gelato’s supplier, under no circumstances shall use or benefit from slavery, servitude, forced or compulsory labour, or human trafficking. It shall not purchase goods/services produced by the use of forced or compulsory labor. Further it shall not use physical punishment, confinement, threat of violence or control over the employees such as confiscating their identification documents or any other documentation that prevents the employees from voluntarily resigning².

Employment conditions, work hours & wages

Workers shall be provided with the terms and conditions of employment in a language understandable to the Worker. Gelato’s supplier shall ensure that the work-week does not exceed the maximum hours specified by the applicable local laws. Further minimum daily wages and overtime should be paid to their workers as defined by the applicable local laws or industry standards whichever is higher. The supplier shall also provide workers with information related to their compensation at the time of appointment (via an appointment letter) and on a regular basis in the form of a wage slip.

Right to form unions and collective bargaining

¹ The International Labour Organisation (ILO) Convention No. 138 on Minimum Age and Convention No. 182 on the Elimination of Worst Forms of Child Labour do not permit the engagement of child labour at the workplace. Further the ILO Convention No. 138 specifies that no child under the age of 15 years shall be employed.

² The ILO Convention No.29 on Forced Labour and the ILO Convention No. 105 on Abolition of Forced Labour suppresses the use of forced or compulsory labor in all its forms.

Gelato's suppliers shall ensure that their employees enjoy the right to join a union and bargain collectively. They shall discuss and bargain with their employees/ employee representatives about all their workplace concerns, in good faith.³

Sexual harassment

It shall be the responsibility of the supplier to prevent any act of sexual harassment in its organisation and to provide measures for resolving, settling or prosecuting any such act. It shall ensure that for any such misconduct prompt disciplinary action is initiated. Adequate complaint mechanism/hotline shall be set up for a timely resolution of the complaints.

Discrimination

Gelato's supplier shall not engage in discrimination of any kind at the workplace (Age, race, colour, gender, caste, religion, nationality etc.) and shall comply with relevant local laws governing workplace discrimination. The supplier shall strive to create a working environment free from discrimination where everyone is respected and valued for their contributions.⁴

2. Health & Safety

Gelato believes that safety is everyone's responsibility. A healthy workplace is one which ensures the physical, mental and social well-being of the employees and workers.

Sanitation, food & housing

Gelato's supplier shall ensure that the employees' working environment is adequately lit with proper ventilation, free from temperature extremes and is compliant with all applicable local laws and internationally recognized health and safety standards. It shall also ensure that all employees shall have access to toilets and potable drinking water. Further, food provided in the canteen and accommodation to the employees shall comply with the sanitation and hygiene regulations of the applicable local laws.

Fire safety

Gelato's supplier shall have suitable firefighting equipment and first aid box, the same shall be placed appropriately and inspected at regular intervals. Further it shall also ensure that its workers are trained to use and handle such fire-fighting equipment. In case of any accidents there should be an emergency route/exit which is free from any obstructions. All such emergency routes/exits shall be marked with signs and shall be visible from the main passageway. An independent and functioning evacuation alarm to notify workers shall be present. Records of any fire incidents, training conducted, and evacuation drills shall be appropriately maintained.

Occupational health, safety and illness

Gelato's supplier shall abide by the applicable local laws and internationally recognized standards meant for specific hazards and risks such as noise, machinery, and manual handling. They shall also ensure that all the necessary licenses required for specific activities have been obtained. Work premises shall be safe and regular assessments shall be carried out to assess the risks and appropriate measures should be implemented to control them. Necessary supervision, training, instruction and information shall be provided to enable workers to perform their work in a manner that is safe and without risk to health.

³ The above is also in line with ILO Convention No. 87 - Freedom of Association and Protection of the Right to Organize and ILO Convention No. 98 - Right to Organize and Collective Bargaining.

⁴ The ILO convention No. 100 on Equal remuneration and ILO Convention No. 111 on Discrimination (employment and occupation) prohibits the same.

3. Environment & sustainability

With the stakeholders' focus shifting towards obtaining assurance that the production of goods and services conform to the minimum environmental standards and applicable laws, Gelato considers it of the highest importance to define a set of goals that promote initiatives to protect and preserve the environment.

Air, water & noise pollution

Gelato's supplier shall protect and enhance the quality of the environment by minimizing the emission of pollutants in the air, preventing the contamination of water bodies by not releasing harmful effluents into the water bodies, and curbing the harmful levels of noise from the use of various equipment. It shall also obtain valid licenses and operate as per applicable law. Timely inspections carried out and remedial measures undertaken shall be documented and completed within a defined time frame.

Environmental management & reporting

Gelato's supplier shall be required to disclose government mandated information about their firm's environmental performance.

4. Business Integrity

Gelato conducts business within the realm of the applicable laws, regulations, ethical standards, policies and procedures. Gelato is committed to doing business the right way and nurturing values that help to prevent any instances of misconduct.

Fair business practices

Gelato's supplier shall prohibit any unfair or deceptive acts or practices. It shall also refrain from any anti-competitive business practices. Further, all business transactions shall be conducted with utmost transparency.

Anti- money laundering

Gelato's supplier shall comply with the provisions of all relevant laws and regulations pertaining to anti-money laundering. Sufficient and appropriate training should be imparted to employees and workers for creating awareness about the anti-money laundering laws and its consequences. Further, a mechanism should be in place to identify such transactions and appropriate disciplinary actions for the same.

Anti-bribery and anti- corruption

Gelato's supplier shall comply with all the applicable laws and regulations for prevention of any unethical activities including fraud, bribery and corruption. They shall not directly or indirectly or through intermediaries make any unauthorized or illegal payments or provide anything of value or an advantage in an unauthorized, unethical, improper or illegal manner to any government official (local or foreign) or private parties or individuals it deals with. Similarly, employees of the suppliers shall be expected to refuse any such offer made to them. Effective systems and controls shall be implemented in order to appropriately manage such risks.

Gifts, hospitality and entertainment

Gelato's supplier shall ensure that in general, gifts, meals and entertainment shall be reasonable and as per its defined norms. Its employees may not offer or accept any gifts, hospitality, rewards, benefits or other incentives that could affect either party's impartiality and influence a business decision or lead to the improper performance of an official duty.

Data protection and confidentiality

Gelato's supplier shall agree to treat all data, whether received directly or indirectly, from or on behalf of Gelato as confidential, non-public and proprietary. It shall take necessary precautions to preserve the integrity of the data and prevent any corruption or loss of the data and information obtained.

Reporting violations

Gelato's supplier shall be obligated to report suspected/actual violation of any of the above principles mentioned. If any employee of the supplier has reason to believe that questionable conduct exists, it shall immediately report the suspected wrongdoing to his/her supervisor. There shall also be a procedure for anonymous reporting, helpful in case of employees who do not wish to reveal their identity. Records of all complaints received shall be maintained and retained in accordance with the applicable laws and standards.

Right to Inspection

In order to verify the compliance with this Code, Gelato reserves the right to conduct assessments such as audits, site visits, etc. of the supplier by itself or through an independent agency.

Consequences of non-compliance

If Gelato's supplier does not meet the requirements provided under this code, and is unable to agree upon or implement a solution in a timely manner, Gelato may at its discretion put on hold or terminate any existing or future agreements/contracts/relationships with the concerned supplier. During the course of engagement if it comes to the knowledge of Gelato that the supplier is not in complete compliance with this code, it shall be the duty of the supplier to implement corrective actions on an immediate basis. In the event of a supplier being barred/disqualified in the past on the basis of non-compliance but later successfully demonstrates its ability to comply with Gelato's code, the agreements/contracts/ relationships with the supplier may be resumed or the supplier may be considered for future business requirements.