

# CORPORATE SOCIAL RESPONSIBILITY

## Supplier Code of Conduct

Georg Jensen (Global)

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BY APPOINTMENT TO  
HER MAJESTY THE QUEEN OF DENMARK

**GEORG JENSEN**

ESTABLISHED 1904

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## 1. Introduction

### Purpose of the Supplier Code of Conduct

The purpose of this Code of Conduct is to ensure that suppliers to Georg Jensen operate in accordance with internationally recognised minimum standards on human rights, labour and the environment. Georg Jensen adheres to the principles of this Code and expects the same of its suppliers.

Compliance to the terms of this Code of Conduct is a condition of any agreement or contract between Georg Jensen and the supplier.

The aim of this Code is not to cease the business relationship between Georg Jensen and the supplier, but to help suppliers improve social and environmental standards. Georg Jensen is therefore willing to work with our suppliers to achieve compliance with the provisions of this Code.

However, we will not conduct business with a supplier if compliance with the terms of this Code is deemed impossible. Nor will we conduct business with a supplier engaged in violations of fundamental human rights (see zero-tolerance standards below). Georg Jensen shall periodically review the adequacy and continuing effectiveness of this Code of Conduct.

### Scope of Application

The terms of this Code extend to all workers, regardless of their status or relationship with a supplier. This Code of Conduct therefore applies to workers directly engaged by the supplier and workers engaged through third parties to perform work related to core business processes for a substantial duration (contracted workers operating within supplier premises).

It shall be the responsibility of the supplier to ensure that its sub-suppliers do not violate the standards of this Code of Conduct.

### General Principles

Any questions or disputes regarding the interpretation of the terms of this Code shall be resolved by Georg Jensen. This Code is not and should not be interpreted as a means to circumvent or undermine national laws or national labour inspectorates. Similarly, this Code is not and should not be interpreted as a substitute for free trade unions, nor should it be used as a substitute for collective bargaining.

This Code of Conduct establishes minimum standards and Georg Jensen will not accept any attempt to use the terms as a means to lower existing standards or to prevent or discourage collective bargaining. When implementing this Code, the supplier shall take all necessary measures to ensure that they do not unintentionally leave workers and other beneficiaries in a worse position than before this Code was introduced.

Georg Jensen implements the OECD Five-step framework as a management process for risk based due diligence for responsible supply chain of minerals from conflict affected and high-risk areas.

### Legal Compliance

In addition to meeting the terms of this Code, the supplier shall comply with all national laws and regulations, as well as other applicable standards (e.g. collective bargaining agreements or other Codes of Conduct).

Where there are differences between the terms of this Code and national laws or other applicable standards, the supplier shall adhere to the higher or more stringent requirements. Conflicts between the provisions of this Code and national laws or other applicable standards shall be evaluated by Georg Jensen in cooperation with its supplier and relevant stakeholders in order to establish the most appropriate course of action that will help to foster respect for fundamental human rights, labour

standards and the environment. If any conflicts are detected, the supplier must inform Georg Jensen immediately.

The 10 Principles of UN Global Compact

This Code of Conduct is based on UN Global Compacts 10 principles.

#### UN Global Compact Principles

1. Businesses should support and respect the protection of internationally proclaimed human rights and
2. Businesses should make sure that they are not complicit in human rights abuses
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
4. Businesses should uphold the elimination of all forms of forced and compulsory labour
5. Businesses should uphold the effective abolition of child labour
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation
7. Businesses should support a precautionary approach to environmental challenges
8. Businesses should undertake initiatives to promote greater environmental responsibility
9. Businesses should encourage the development and diffusion of environmentally friendly technologies
10. Businesses should work against corruption in all its forms, including extortion and bribery

## 2. Human Rights

### Health and Safety

#### 2.1. Health and Safety Systems

The supplier should provide safe and healthy working facilities and take appropriate precautionary measures to protect workers from work-related hazards and anticipated dangers in the workplace.

Furthermore the supplier should ensure that any residential facilities provided to workers are safe and sanitary and meet their basic needs.

Safety precautions will depend upon the industry and country of operation, supplier concerns and the needs of vulnerable workers, such as pregnant women.

## 2.2. Protective Equipment and Training

All workers must be trained for all tasks for which they are responsible prior to new assignments.

Workers should not be exposed to harmful processes, chemicals, substances or techniques. When exposure is unavoidable, all workers exposed must be provided with the necessary protective equipment at no cost.

Workers should be protected against processes, substances and techniques, which are obnoxious, unhealthy, toxic or harmful, including but not limited to the following: harmful chemicals or biological agents; noise; toxic fumes, emissions, smoke, gases, smells, or other forms of air pollution; vibration; radiation; electrical shocks and currents; flames; incendiary or explosive agents; snow, ice, or other slippery surfaces; extreme temperatures; falling objects; asbestos, coal, and other substances that cause respiratory ailments if inhaled or ingested; bright light or sun; dangerous machinery (e.g. saws, presses); lead and benzene; cigarette or cigar smoke; flying debris, particles or sparks.

## 2.3. Sanitary Infrastructure

The supplier must provide a suitable, clean and sanitary infrastructure, including access to toilets and potable water, which conforms to the needs and numbers of its workers.

## Condition of Employment, Hours, Wages and Leave

### 2.4. Established Working Relationship

All workers shall be provided with a written, understandable, and legally binding labour contract. The supplier shall not rely on part-time, short-term or casual labourers, trainees or false apprenticeships to pay lower wages and fewer benefits. Provisions for non-permanent and seasonal workers should be no less favourable than for permanent workers.

All workers are entitled to know their employment status with the supplier and the working conditions.

The risk of exploitative labour practices increases when a supplier exploits an individual without recognizing or acknowledging his or her employment status with the supplier (either as an employee, a hired labourer or otherwise) and without providing him/her with the same employment benefits and protections as the other workers.

To avoid this, the supplier should ensure that personnel policies and procedures empower all workers with some form of independent status, title or position with the supplier.

### 2.5. Working Hours

The supplier shall ensure that the workweek is limited to a 48 hour workweek for commercial and industrial occupations - with a daily maximum of 10 and 8 hours respectively - to ensure time for rest and leisure.

For work processes that must be conducted continuously on a shift basis a maximum workweek of 56 hours is permitted.

Overtime should be voluntary, infrequent and should not exceed 12 hours per week or 36 hours per month. Specific rules may apply to various types of work (such as shift work, offshore work, long-distance transport, cargo work, seasonal work etc.) where unfixed working hours may be permitted.

Overtime hours must be compensated by leave time or pay at a premium rate over and above the normal rate of pay. According to international minimum standards, the rate should be not less than 1.25 times the basic pay or wages per hour.

Workers are entitled to at least one day off per week, and shall be given reasonable breaks while working and sufficient rest periods between shifts.

## 2.6. Wages

Wages must be paid on time and enable workers to meet their basic needs and provide some disposable income.

Minimum wages may be fixed by law or collective agreement but are in many countries not sufficient to meet workers' basic needs. If the supplier has piece-rate payment structures, these must also meet living wage requirements.

Where the national minimum wage level does not meet workers' basic needs, companies should calculate a 'living wage' corresponding to the income needed in light of local prices to support the worker and his or her immediate family to a reasonable standard of living. In making this calculation, it is necessary to include not only the costs of housing, food, water, clothing and transport, but also dependents, education, disposable income and social benefits such as health care, national insurance and pension.

Deductions from wages shall be transparent and must never be used as a disciplinary measure.

## 2.7. Leave

The supplier must grant all workers paid annual holiday and sick leave for the period determined by the competent authority in the country of operation.

International Labour Organisation standards require all workers to be granted a minimum of no less than three weeks of holiday per year.

Moreover, a minimum of 14 weeks, or more if provided by law, should be granted for paid maternity leave.

Women, who take maternity leave, must not face dismissal or threat of dismissal, and shall be able to return to work in their former employment at the same rate of pay and benefits.

## Fair Treatment

### 2.8. Non-Harassment

Workplace harassment encompasses many types of behaviour, including assault, physical and sexual harassment or threats, and workplace bullying and intimidation.

To protect workers against such acts, the supplier should implement prevention policies, facilitate open communication, provide training, and allow workers to report incidents of harassment to a complaint mechanism that fully investigates the reports and responds accordingly.

### 2.9. Workers Privacy

When the supplier needs to gather information about its workers in relation to for example taxation or insurance, or implements workplace monitoring procedures, it must ensure that the measures are legal and for a legitimate purpose.

Personal information collected should be minimal and kept safe from unauthorised access.

Workers should be informed of any workplace monitoring and should know what personal data is kept on them and they should have access to correct this data.

### 2.10. Worker Grievance Mechanisms

Workers should be able to submit grievances regarding workplace concerns without threat of adverse employment action as a result of the grievance.



The supplier should work with relevant workers organisations and/or representatives to establish and maintain effective and fair grievance procedures.

The procedure should be transparent and fair to workers and the process for receiving, processing and settling grievances should be clearly described and made known to the workers.

If an worker disagrees with the settlement of a given grievance, the supplier should inform the worker of available alternative resolution mechanisms available in the country of operation.

## Community Impacts

### 2.11. Impact Assessment

This requirement is primarily relevant for companies whose business operations have a significant impact on the environment, land or natural resources of local communities.

The supplier should seek to prevent, reduce and mitigate any negative effects its operations may have on human rights of local communities in its area of operation. This may include impacts on the environment, on land, infrastructure, natural resources or other factors that are important to the enjoyment of human rights for local people including their health and livelihoods.

### 2.12. Land and Property

This requirement is relevant when the supplier buys, rents, acquires or otherwise accesses land or property.

In many countries the management of land and property presents a legal challenge. Registration of ownership may be lacking or informal systems of ownership may exist alongside formal systems. Individuals, including indigenous peoples, who use or reside on land may lack proof of ownership or usage rights.

Especially in poor and rural areas, loss of land or property without adequate compensation may significantly harm the livelihoods of the affected individuals and their families. Vulnerable groups, such as women, indigenous peoples, or migrants are often deprived of their rights.

Therefore, the supplier must investigate land ownership properly and consult with all affected groups before acquiring or accesses land or property

The supplier shall ensure that it does not participate in or benefit from improper forced relocations. The supplier shall also adequately compensate inhabitants in legitimate relocations.

### 2.13. Security Arrangements

This requirement is only relevant for companies that have security arrangements involving private security guards or public security officials such as police or military personnel.

The supplier is allowed to use security guards to protect its workers and property where this is considered necessary. However, the supplier should ensure that its security guards, whether directly employed or contracted, behave in accordance with national law and international principles for law enforcement and the use of force. This includes preventing excessive use of force, abuse of power or other human rights abuses by security personnel towards other workers or local communities.

If the supplier owns or uses installations that are guarded by public security personnel, including police or military, it should engage with the relevant authorities to ensure that such security functions are conducted in accordance with international human rights principles for law enforcement and the use of force.

## 2.14. Community Engagement

Through its operations, the supplier may negatively impact the access of local communities to resources or livelihoods. This includes burdens to the local food or water supply, construction or transportation obstructing the access of local communities to hunting and fishing grounds, as well as air pollution or water contamination. Communities that are potentially affected by the method and type of operations conducted by the supplier should be given an opportunity to express opinions and objections regarding major supplier decisions affecting their access to resources and livelihoods. Encouraging community involvement and gathering perspectives of the affected community through stakeholder dialogue also allows the supplier to operate in a socially responsible and informed manner and to increase its legitimacy to operate in the area. Other impacts of the method and type of operations, particularly negative effects on any person or group of its means of subsistence, should be a part of this stakeholder dialogue, to ensure that the land remains suitable for future usage by the community.

All activities should be undertaken with a view to avoiding, minimising, and mitigating environmental damage, and ensuring that no irreversible environmental damage takes place.

## Product Stewardship

### 2.15. Product Stewardship

This requirement is primarily relevant for companies producing or marketing products with adverse effects on human life, health, privacy or other human rights related issues, whether through correct or incorrect use of the products.

Product stewardship with regard to human rights entails that the supplier protects consumers, users and others against hazards to human rights, including health, life, privacy and other impacts, which may result from the manufacturing, marketing, usage and disposal of a given product.

Product-related hazards to human rights may arise due to product defects or side-effects or due to improper use of the product or use of the product for unintended purposes.

Where relevant, product stewardship procedures should be in place to prevent and monitor such improper use or misuse.

The supplier shall exercise due diligence when designing, manufacturing, and testing products. This is to protect against product defects which could harm the life, health or safety of people likely to be affected by the defective product, or have an adverse impact on the environment.

## 3. Labour

### Trade Unions

#### 3.1. Association and Bargaining

Workers must be allowed to form and/or join worker organisations of their choice.

The supplier must allow such organisations and their representatives to function independently without interference and with reasonable access to the information, resources, and facilities necessary to carry out their functions.

The supplier must also respect the right of workers to bargain collectively. Under no circumstances may the supplier terminate workers or discriminate against them in retaliation for exercising trade union rights.

### 3.2. Supplier-Level Representation

In some countries, state law does not allow the right to unionise and bargain collectively, or only state-controlled organisations are allowed.

Under such circumstances, the supplier still has an obligation to respect the right of its workers to take lawful steps to assemble and associate independently.

The supplier should ensure that other forms of workers meetings and representation are accommodated, to the extent permitted under local law.

## Forced Labour

### 3.3. Forced and Compulsory Labour

The supplier must not participate in, or benefit from, any form of forced labour including bonded labour, forced prison labour, slavery, servitude, or human trafficking. Workers must have the freedom of movement during the course of their employment.

Where there is a risk of forced or bonded labour practices, the supplier should ensure that it does not use or contribute to the use of such practices.

Forced or bonded labour is work performed involuntarily under threat of penalty. Certain employment practices may lead to a situation of bonded labour. This includes for example compelled overtime, human trafficking, lack of free movement, debt bondage or retention of personal documents. The supplier should make sure that such practices are prevented and that fair and transparent employment contracts are issued for all workers.

When using third party staff agencies, the supplier should ensure that such agencies are not engaged in bonded labour practices. Particular care should also be taken when employing migrant workers.

The supplier shall treat all personnel with dignity and respect. The supplier shall not engage in or tolerate the use of corporal punishment, mental or physical coercion and verbal abuse of personnel.

## Child Labour

### 3.4. Child Labour and Young Workers

Children are entitled to the basic right of an education, and must not be hired for full-time work before completing their compulsory education.

The age for completion of education and the minimum age for entry into employment are both determined by the national government in the country of operation.

Under International Labour Organisation (ILO) standards, the minimum age for entry into full-time employment should be no younger than 15, or 14 if the country is subject to an exception.

Depending on the country of operation, children aged 13, or 12 if the country is subject to an exception, may perform light work as defined by the ILO Minimum Age Convention as work for a few hours per day, not interfering with the health or development of the child, and which does not interfere with the child's compulsory education.

Workers below the age of 18 must not be engaged in hazardous work.

The supplier should have in place credible procedures for validating the age of young workers.

Working children of school age should be enrolled in education and their families compensated for the loss of income.

When seeking to determine minimum age limits for the country of operation, companies should investigate whether national legislation is in compliance with ILO Convention 138, and whether exceptions are in place for the country.

## **Non-Discrimination**

### **3.5. Non-Discrimination**

The supplier shall not engage in or support discrimination on the basis of the following definitions;

Discrimination can include any distinction, exclusion or preference made on the basis of illegitimate distinguishing personal characteristic.

The grounds for discrimination that are recognised and prohibited under international human rights law include gender, age, nationality, ethnicity, race, colour, creed, caste, language, mental or physical disability, organisational membership, opinion, health status (including HIV or AIDS status), sexual orientation, marital status, birth, or civic, social, or political characteristics of the worker.

Discrimination can be direct or indirect. Direct discrimination occurs whenever a supplier practice specifically targets a particular group of workers because of a distinguishing personal characteristic, and treats that group worse than the others.

Indirect discrimination occurs when the practical application of a supplier policy, procedure or practice negatively impacts a group of people - even if the policies, procedures or practices appear neutral. For example lack of female changing rooms can keep women from entering certain job functions in a supplier.

## **4. Environmental Protection**

## **Compliance and Management**

### **4.1. Legal Compliance**

The supplier should comply with all relevant environmental legislation in the country in which it operates. Environmental legislation differs from country to country, but most often covers nature conservation, natural resource use, emissions to air, waste water, waste, chemicals etc.

The supplier should take the necessary measures to ensure that it maintains awareness of current and new environmental legislative requirements relevant to the environmental impacts of its activities, products and services.

Furthermore, the Supplier should strive to comply with relevant international standards, conventions and agreements.

### **4.2. Environmental Management**

The supplier should work systematically to address environmental issues that relate to its business operations and activities. This implies that the factory, through a proactive approach, should prevent, minimise and remedy adverse environmental impacts of its activities, products and services. The approach should include policies, procedures, responsibilities, awareness raising and training, targets and reporting on significant environmental issues.

Furthermore, the supplier should be able to demonstrate continued and appropriate improvements of its environmental performance. The approach could involve establishing a formal supplier-wide environmental management system.

### 4.3. Environmental Impact Assessment

This requirement is only relevant in certain situations, such as a new activity or expansion of existing activities with significant potential adverse risks for the environment. Environmental assessments can be made for individual projects such as a dam, motorway, or factory (referred to as an Environmental Impact Assessment or EIA), but can also be made for plans, programmes and policies, often at national level (and is then referred to as a Strategic Environmental Assessment or SEA).

Environmental assessments involve an analysis of the potential environmental and social impacts, writing a report about these impacts, and undertaking a public consultation on the report. When making the final decision, the report and comments received should be taken into account and the public informed about the decision made.

The supplier should assess and mitigate any negative effects its operations may have on the environment and ensure the health and livelihood of the local inhabitants, as well as their access to clean water, land and public services.

### 4.4. Emergency Response

This question is primarily relevant for industrial companies whose operations involve potential toxic or other dangerous substances or processes that could affect the environment and/or human health.

The supplier should take measures to institute preventative methods and enforce emergency response techniques according to requirements of the industry. The supplier must ensure that all of its procedures comply with the highest industry standards and, if insufficient, exceed and improve upon them.

The supplier should have in place emergency procedures to respond to accidents if they occur, and is also responsible for efficiently responding to minimise the effects and to promptly inform the community, authorities and other relevant stakeholders.

### 4.5. Supply Chain Management

Environmental performance of suppliers, contractors and other business partners are outside the factory's immediate sphere of control. However, the supplier should still apply due diligence and set up requirements for its suppliers and major business partners regarding their environmental performance.

The supplier should ensure that all reasonable measures are taken to avoid damaging the environment and to improve the environmental standards of its suppliers e.g. through control, dialogue or collaboration.

## Precaution

### 4.6. Precautionary Approach

The 1992 Rio Declaration describes the precautionary approach as follows: "Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation". In other words, when scientific information is incomplete or uncertain but there is reasonable suspicion of environmental damage precaution is needed when deciding what level of risk is acceptable.

The supplier has a responsibility to protect the environment (and the public) where scientific investigation discovers a plausible risk of exposure and harm. The supplier should work systematically with assessing, managing and communicating risks and aim at preventing rather than remediating environmental damage.

## Responsibility and Performance

### 4.7. Energy Consumption and Climate Change

Greenhouse gases in the atmosphere absorb the sun's energy and retain heat radiation that would otherwise be lost into space. Most greenhouse gases occur naturally but their levels have been raised artificially by emissions from vehicles, energy production and industrial activities. The six greenhouse gases covered by the Kyoto Protocol are carbon dioxide, methane, nitrous oxide, perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and sulphur hexafluoride (SF<sub>6</sub>).

The supplier should take measures to monitor and continuously reduce its energy consumption and emission of greenhouse gases e.g. by changing procedures followed or introducing new technologies.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions and agreements, the precautionary approach and best practice.

### 4.8. Water and Waste Water

Water scarcity is expected to worsen in many parts of the world as a result of factors including urbanization and population growth, increasing food production, industrialization, and climate change. Water pollution also reduces the amount of water available and a variety of supplier operations and activities involving water can generate waste water.

The unsustainable use of water resources can have significant negative impacts on the natural environment. The supplier should take the availability of water into consideration, especially in areas where water is a scarce resource, and should take measures to reduce water consumption. The supplier should also take measures to avoid water pollution by preventing and reducing waste water discharges e.g. through increased production efficiencies and replacement of harmful substances. Waste water should be treated to minimise the impact on the aquatic environment.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

### 4.9. Waste Management

According to the "waste hierarchy", waste should be reduced, reused and recycled as much as possible. The supplier should take measures to ensure that waste is sorted into fractions, e.g. paper, packaging, biodegradable waste. Waste that cannot be reused or recycled should be treated e.g. at incineration plants or disposed of at controlled landfill sites.

Specific types of waste associated with the greatest potential environmental impacts require special attention, including hazardous waste, chemical waste and waste electrical and electronic equipment (WEEE). The supplier should take measures to ensure safe handling, storage, transport and disposal of hazardous and other special waste e.g. by making personal protection equipment available and including instructions and appropriate training.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

#### 4.10. Air Emissions

Emissions of pollutants to the air can occur from a wide variety of the factory's operations and activities including industrial processes, energy production and transport.

Typical air pollutants are nitrogen oxides, sulphur dioxide, carbon monoxide, small particles, volatile organic compounds (VOCs) such as benzene and metals such as lead. Emissions of dioxins, and pollutants causing ozone depletion such as HCFCs should also receive attention.

The supplier should monitor its emissions and take measures to reduce the amount and number of pollutants to air.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

#### 4.11. Noise, Odour, Light and Vibrations

Noise, odour, light and vibrations may be caused by a wide variety of the factory's operations and activities, including the establishment of new sites, expansion and closure of sites. Noise and vibrations may be related to the use of machinery inside and outside of the factory's buildings and production sites, e.g. from punching machines, diesel generators and heavy vehicles delivering or picking up products or goods. Odours may also be associated with production cycles and waste generation and light might be a nuisance from night work.

The supplier should monitor the level of noise and other nuisances that result from its activities and ensure that measures are in place to prevent, minimise and remedy significant impacts on the surrounding natural environment and neighbourhood.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

#### 4.12. Chemicals and Other Dangerous Substances

To protect the environment and human health, the use of many chemicals and other dangerous substances is either restricted or subject to national, regional or international bans or phase-outs.

The supplier should ensure that banned chemicals are not used in the factory's operations and activities. The supplier should also take measures to ensure safe storage, handling and disposal of chemicals and other dangerous substances including oil and fuel. Proper documentation and labelling of chemicals and dangerous substances used and/or stored are essential. Furthermore, The supplier should ensure that it takes all necessary measures to substitute with less harmful chemicals and substances wherever possible.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

#### 4.13. Contamination of Soil and Water

If the supplier has accidentally contaminated the soil as a result of its activities, processes and/or storage, the groundwater and/or surface water resources in the surrounding area will most often be affected as well. The supplier will often be liable for the resulting environmental damages. The supplier could also be liable, if the supplier is operating on land where the former owners or occupiers have contaminated the soil.

The supplier should investigate the extent of soil contamination that may take place as well as any resulting groundwater and/or surface water contamination. Contamination typically occurs as a result of the factory's production or storage activities e.g. leaks/spills of chemicals, dangerous substances, fuels or

oils; contaminated dust; storage of waste; waste water. The supplier should also ensure it has measures in place to remedy any contamination at the site and the surroundings.

The measures taken by the supplier should be in accordance with national regulatory requirements, the precautionary approach and best practice. National regulation regarding ground contamination typically exists along with a national registry of contaminated sites and strategy and funding for clean-up.

#### **4.14. Biodiversity**

Biodiversity is defined in the Convention on Biological Diversity as the variability among all living organisms from different ecosystems, including diversity within species, between species and of ecosystems.

Threats to biodiversity may occur if the factory's operations and activities have an impact on flora and fauna or degrade the natural environment. The impact can, for example, result from new infrastructure and developments, mining activities, off-shore activities, harvesting of raw materials, deforestation, drainage of marshes, swamps and/or lakes to create new farmland, emissions of hazardous substances into sensitive natural environments and ecosystems, or introduction of GMOs (genetically modified organisms).

The supplier should ensure that measures are taken to prevent, minimise and remedy significant impacts on biodiversity. The measures taken should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

#### **4.15. Natural Resource Use**

Some of the world's natural resources are becoming scarce and degraded as a result of human use and should be managed with due consideration to ensure a sustainable future supply e.g. certain types of wood and fish species, metals (e.g. chromium, nickel), oil, coal etc. The soil should also be included as a natural resource. Soil performs many vital functions including food production, storage, filtration and transformation of many substances including water, carbon and nitrogen. The supplier should also take measures to ensure that it prevents, minimises and remedies significant impacts related to the cultivation, harvest, extraction and/or use of natural resources.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

## **5. Technology**

### **5.1. Environmentally Friendly Technologies**

Agenda 21 of the Rio Declaration defines environmentally friendly technologies as technologies that "protect the environment, are less polluting, use all resources in a more sustainable manner, recycle more of their wastes and products, and handle residual wastes in a more acceptable manner than the technologies for which they were substitutes." They are "not just individual technologies but can also be total systems including know-how, procedures, goods and services and equipment as well as organizational and managerial procedures."

Environmentally friendly technologies include cleaner production processes and pollution prevention technologies. They can increase operating efficiencies, and reduce emissions, worker exposure and risks of environmental damage.

The supplier should apply environmentally friendly technologies and continuously evaluate their processes and technologies to see if it is possible to change to more environmentally friendly alternatives.



## Anti-Corruption

### 6. Supplier Culture and Procedures

#### 6.1. Signalling a Non-Corrupt Environment

Promoting anti-corruption plays an essential role in combating corruption. Not only will it signal to the supplier's business partners and associates that the supplier runs a non-corrupt business, it also encourages workers to refrain from being involved in corruption and have an open dialogue of the risk of corruption.

The supplier should comply with relevant international standards, conventions and agreements such as UN Convention against Corruption, The Inter-American Convention Against Corruption, The African Union Convention on Preventing and Combating Corruption, Anti-Corruption Action Plan for Asia and the Pacific, The Council of Europe Conventions on Corruption, The OECD Convention on Combating Bribery of Foreign Public officials in International Business Transactions, etc.

#### 6.2. Anti-Corruption Risk Assessment

Risk assessment is the foundation of implementing anti-corruption tools in businesses. This assessment will have a different focus depending on the specific situation and context, and should relate to internal structures of the supplier. It is important to include this analysis in the overall evaluation of business relationships and opportunities and look for ways to minimize the risks by providing appropriate counter measures. Operating in countries with a high level of corruption the risk assessment should be implemented in all procedures.

#### 6.3. Awareness Raising

Awareness-raising is essential for the long-term success of fighting corruption. Awareness is not established instantly, but created through ongoing dialogue, training and information about corruption, its impact and how to prevent it.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

### 7. Policy and Procedures

#### 7.1. Anti-Corruption Policy and Guidelines

Ensuring a culture of anti-corruption involves formulating anti-corruption standards and implementing these in supplier procedures so that the workers are equipped to handle corruption in compliance with the supplier's anti-corruption commitment. Communicating pro-active actions to stakeholders and partners is strongly advised in order to prevent corruption demands or requests.

#### 7.2. Anti-Corruption Procedures

Implementing anti-corruption standards into the core structure of the supplier relies heavily on the development of suitable procedures which are resistant to corruption and able to raise internal alarms. These alarms are signals regarding occurrences which should be investigated at a higher level in the organization.

## 8. Third Parties

### 8.1. Agents and Other Associates

Using agents, intermediaries, consultants or other external service providers does not free the supplier of its responsibility of implementing its anti-corruption initiatives. Following international law and other anti-bribery legislation, the criminal offence of bribery occurs when a financial benefit or other advantage is offered, promised or given to a public official directly or through agents, intermediaries or consultants. Information, training and monitoring of agents, intermediaries or consultants' activities should be carried out on a continuous basis with a clear line of responsibility within the supplier.

The suppliers' contracts with agents, intermediaries and consultants shall include a section on anti-corruption and that the contract holder must comply with all applicable laws and regulations.

The measures taken by the supplier should be in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

### 8.2. Supply Chain

Anti-corruption values in suppliers, contractors and other business partners are outside the supplier's immediate sphere of control. However, the supplier should still apply attentiveness and ensure that all reasonable measures are undertaken to improve and promote anti-corruption and avoid neglect.

The suppliers' contracts with suppliers shall include a section on anti-corruption and that the contract holder must comply with all applicable laws and regulations.

## 9. Joint Actions

### 9.1. Joint Actions

It can be difficult for a supplier to change a corrupt environment alone. Collective or joint actions are proven methods of fighting corruption and increasing each supplier's impact by making fair business practices more common and elevating individual actions into an alliance of like-minded organizations. Collaboration builds integrity in the business community and can reduce corruption in the broader community.

## 10. Implementation of the Code of Conduct

### 10.1. Records and Documentation

The supplier shall maintain appropriate records to demonstrate compliance with the terms of this Code of Conduct. Records shall be available to Georg Jensen upon request at any time. Appropriate records include, but are not limited to:

- Names and ages of all workers
- Timesheets
- Payroll records including wage slips and overtime wage records
- Material safety data sheets, accident records and relevant health and safety certificates and permits
- Environmental records including data from the monitoring of significant environmental impacts and relevant permits

- Records of any significant instances of non-compliance encountered in relation to this Code, including a summary of the corrective actions taken to remedy the deficiencies

## 10.2. Definition of Roles and Responsibilities

The supplier must assign responsibilities within its organisation for the implementation of this Code of Conduct. As a minimum, the following representatives shall be designated:

- One or more management representatives with the responsibility and authority to ensure compliance with the terms of this Code
- A qualified health and safety officer at each facility responsible for planning, implementing and monitoring the supplier's health and safety policies and procedures
- A freely elected workers' representative responsible for facilitating dialogue and communication between the supplier and its workers on all matters pertaining to this Code. This function may be alternatively carried out by a freely elected trade union representative.

The supplier shall ensure that repeated offences and serious neglect by any of its personnel in relation to matters pertaining to this Code will result in appropriate disciplinary actions, which may include dismissal from employment.

## 10.3. Training and Awareness Raising

The standards included in this Code of Conduct shall be communicated to all new workers, including managers and supervisors, immediately upon hiring. The supplier shall ensure that all workers are regularly informed about the standards included in this Code and the necessity of acting in accordance with them. In areas with high illiteracy rates, workers shall receive verbal instructions. This Code of Conduct shall also be transmitted to local unions or other worker representatives. It should always be accessible to all workers and in the local languages whenever appropriate.

## 10.4. Complaints Procedures - Grievance mechanisms

The supplier shall establish mechanisms for hearing, processing, and settling complaints of workers. Workers must have the right to anonymously submit complaints regarding all workplace concerns, including complaints regarding the supplier's failure to comply with this Code of Conduct, without fear of punishment or adverse employment action.

The supplier shall properly investigate, address and settle all complaints in accordance with its pre-established complaint procedure. Anyone affected by the supplier's activities must have access to communicate concerns or submit complaints without discrimination or fear of reprisals. The supplier shall properly investigate, address and settle any complaints or concerns raised by local communities and workers.

## 10.5. Relations to Sub-Suppliers

The supplier is responsible for ensuring that its respective sub-suppliers comply with the terms and standards of this Code of Conduct. This includes sub-suppliers classified as home-based workers or small farmers. As part of this obligation, the supplier shall:

- Require sub-suppliers to inform the supplier about other business entities in the supply chain taking part in the production of each order
- Screen and select sub-suppliers based on their ability to meet the standards and term of this Code
- Make compliance to the terms and standards of this Code a condition of any agreement or contract that it enters into with sub-suppliers.
- Undertake reasonable efforts to check that sub-suppliers operate in conformance with this Code.

The zero-tolerance standards of Georg Jensen outlined below is also applicable to sub-suppliers.

## 10.6. Monitoring

Georg Jensen will monitor the operations of the supplier to assess and ensure its compliance with this Code of Conduct. Our monitoring programme consists of on-site inspections (or audits) and periodic self-evaluations by suppliers of their premises and those of their subcontractors.

The supplier shall at any time freely submit to announced and unannounced audits. The supplier is required to provide physical access to any auditor from Georg Jensen or assigned by us. This obligation entails unhindered access to all facilities, records, and where provided by suppliers, housing, as well as workers for confidential interviews. The frequency and intensity of supplier audits will depend on - and shall be appropriate to - the scale and intensity of suppliers' operations

## 10.7. Verification

Georg Jensen reserves the right to let an independent third party of our choice make on-site inspections to verify compliance with the terms of this Code of Conduct.

## 10.8. Enforcement, Remediation and Corrective Action

Where instances of non-compliance with the terms of this Code of Conduct are identified, the supplier shall promptly take corrective action to remedy the deficiencies, as well as take measures to prevent similar problems from recurring in the future.

The supplier shall make timely and reasonable amends to any worker, former worker, or community member whose rights have been violated. Remediation includes, but is not limited to, paying back all wages determined to have been unlawfully withheld or reinstating any worker assessed to have been unlawfully dismissed.

Where instances of non-compliance are detected as a result of audits, the supplier shall be given a fixed period of time to self-correct the deficiency. In the event of failure to self-correct a problem, Georg Jensen is willing to engage in a constructive dialogue with the supplier to develop and implement a corrective action plan, with appropriate time scales for implementation and improvements to be achieved.

Agreement to abide by the corrective action plan allows continuation of the business relationship, as long as Georg Jensen finds that the supplier is implementing the plan in good faith. In the event of repeated and serious breaches of the terms of this Code of Conduct, Georg Jensen reserves the right to cease the business relationship with its supplier and possibly cancel any production or delivery in progress.

## 10.9. Zero-Tolerance Standards

Georg Jensen will not conduct business with a supplier engaged in violations of fundamental human rights or if bribery is practiced as part of the business with Georg Jensen. The following practices are therefore considered unacceptable:

- The use of bonded and forced labour, including forced prison labour and human trafficking
- Use of child labour, including forced child labour, child prostitution, and other work which is likely to jeopardise the health, safety and morals of children
- Young workers below 18 years engaged in hazardous or life-threatening work
- Any harsh, inhumane or degrading treatment or punishment of workers
- The exposure of workers to life-threatening work environments or residential facilities provided to the workers, where they have not been informed of the dangers and where protective measures have not been undertaken
- Deliberately causing substantial pollution to air or water, or substantial soil contamination

- Any complicity in violations of international humanitarian law and other crimes against the human person as defined by international law, including war crimes, crimes against humanity, genocide, torture, forced disappearances, hostage taking and extrajudicial, summary or arbitrary executions.
- Offering, promising or agreeing to give any person working for or engaged by Georg Jensen any bribe, gift, hospitality, or other monetary or non-monetary consideration, which could act as an inducement or a reward for entering into agreements, winning orders, or otherwise affect the cooperation between the supplier and Georg Jensen.

If Georg Jensen has reason to believe that such violations are being committed by a supplier, the business relationship will be terminated immediately. If we have reason to believe that a supplier was aware of the violation and willingly operated in violation of fundamental human rights, the supplier will be reported to the proper authorities.

## Document Revision history:

| Rev. No.: | Changes:                          | Date:           | Approved by:    |
|-----------|-----------------------------------|-----------------|-----------------|
| 1.0       | Issued                            | 25 Nov 2011     | Erik Olsen      |
| 1.1       | Issued                            | 23 Feb 2012     | Erik Olsen      |
| 2.0       | Minor changes                     | 16 May 2012     | Erik Olsen      |
| 3.0       | Signature page added              | 4 January 2013  | Josephine Utzon |
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| 6.0       | UpToDate to 2021 requirements     | 01 June 2021    | Erik Olsen      |
| 7.0       | Include OECD 5-step due diligence | 06 October 2021 | Erik Olsen      |