



# POLICY ON RESPONSIBLE BUSINESS CONDUCT

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## Introduction

Helly Hansen strives towards responsible business conduct that respects people, society and the environment. This policy document and our Code of Conduct forms the foundation of our sustainability work.

Helly Hansen considers responsible business conduct to be a prerequisite for sustainable development, meaning that today's generation get their needs covered without compromising the ability of future generations to meet their own needs<sup>1</sup>. The UN Sustainable Development Goals (SDGs) is the world's joint action plan for sustainable development. Helly Hansen works actively with the Sustainable Development Goals where the focus has been the implementation of 9 key goals moving forward.

As a member of Ethical Trade Norway Helly Hansen commits to working actively with due diligence for responsible business conduct<sup>2</sup>. Due diligence is a risk-based approach to respect and safeguard people, society and the environment in our own business and throughout the supply chain. We expect our suppliers and partners to follow the same approach.

## Requirements - own business

*Helly Hansen* acknowledges that our business conduct can potentially have negative impact on people, society and the environment. At the same time, we see the potential to contribute to positive development in the supply chain. With this in mind, we have compiled the following principles and criteria guiding our own business:

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<sup>1</sup> *The Brundtland commission, «Our Common Future», 1987*

<sup>2</sup> *UN OHCHR, Guiding Principles on Business and Human Rights (UNGPs)», 2011; OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.*

## **Due diligence**

Helly Hansen 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 stop, prevent and reduce 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.<sup>3</sup>

## **Responsible purchasing practices**

Helly Hansen considers responsible purchasing practices to be one of our most important tools for responsible business conduct. Helly Hansen shall adapt our purchasing practices in order 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 particular willingness and ability to create positive developments in the supply chain.

## **Freedom of association and worker representation**

Helly Hansen 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.

## **Supplier development and partnership**

In dialogue with suppliers we will consider, if needed, to contribute with capacity building or resources that enable our suppliers to comply with *Helly Hansen's* requirements related to responsible business conduct. This way we lay the foundation for collaboration with suppliers that show the willingness and ability to work on positive development for people, society and the environment in the supply chain.

## **Anti-corruption**

Helly Hansen, including all employees, shall never offer or receive illegal or inappropriate monetary gifts or other remuneration to achieve private or business benefits in their own interest or in the interest of customers, agents or suppliers. Please also see separate document on Helly Hansen Anti-Corruption Policy.

## **Countries affected by trade boycott**

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

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<sup>3</sup> OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.

## Requirements - conditions in the supply chain

We expect our suppliers and partners to work focused and systematically to comply with our code of conduct, that covers fundamental requirements on human rights, labour rights, anti-corruption, animal welfare and the environment. Our suppliers shall:

- Follow our 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 stop, prevent and reduce such impact. The measures put in place must be monitored and their effect evaluated. The measures taken must be communicated to those affected by your actions. If the supplier is responsible for the negative impact/damage, they are responsible for providing remedy.<sup>4</sup>
- Show willingness and ability to continuous improvement for people, society and the environment through collaboration.
- At the request of Helly Hansen be able to document how they, and potential subcontractors, work to comply with the guidelines.

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

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<sup>4</sup> OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.