

GLOBAL CSR

Code of Conduct for Business Relationships

I. Introduction

GLOBAL CSR believes that the global market economy is crucial for achieving social, environmental and economic sustainability. We advise businesses in responsible business conduct; a prerequisite for realizing sustainability. We will not interfere with the free choice of our business relationships to determine, where they strategically would wish to contribute to sustainable development. However, we do expect our business relationships to avoid adverse impacts in relation to the key international principles defining social, environmental and economic sustainability; i.e. human rights (including labour rights), the environment, and corruption - or the areas referenced by the voluntary principles in the UN Global Compact.

This Code of Conduct for Business for Business Relationships (CoCBBR) serves the purpose of assisting implementation of our [Policy Commitment](#), where we commit to expect from our business relationships, including customers, suppliers and partners, that they demonstrate responsible business conduct as defined by the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises (OECD).

The management requirements set forth in this CoCBBR for demonstrating responsible business conduct are aligned with the global minimum standard for responsible business conduct as defined by the UNGPs/OECD and are distinct from legal compliance. Business relationships are always expected to comply with national law. GLOBAL CSR reserves the right to levy additional, more specific requirements related to sustainable development, should specific circumstances require such focus.

II. Management Requirements

GLOBAL CSR expect its business relationships to implement and maintain a management system that is fully aligned with the globally agreed minimum standard (UNGPs/OECD). The required management system shall, at a minimum, address;

- adverse impacts on the human rights stated in the International Bill of Human Rights, including the core labour rights from the International Labour Organization's Declaration on Fundamental Principles and Rights at Work;
- significant adverse impacts on the external environment in relation to the areas addressed by the Rio Declaration on Environment and Development, including the climate as reflected in the Paris Agreement; and
- significant risks of adverse impacts on anti-corruption, as related to the scope outlined by the United Nations Convention against Corruption.

The areas mentioned above are hereinafter referred to as 'the scope'

This includes the following actions:

II.I. Adopt a Policy Statement

The Policy Statement should;

- be approved at the most senior level of the company;
- be informed by experts in the UNGPs and OECD;
- stipulate the supplier's expectations of employees and business relationships;
- be publicly available and communicated both internally and externally; and
- be embedded in operational policies and procedures throughout the company.

II.II. Establish and Maintain a Due Diligence Process

Business relationships shall establish a process that allows for regular assessments of risks of actual and potential adverse impacts on the scope. Business relationships shall act to prevent or mitigate the actual or potential adverse impacts identified, and these actions shall be tracked to ensure effectiveness. Business relationships are expected to engage impacted stakeholders in this process and to communicate findings, actions taken, and ongoing status to such stakeholders, as well as other relevant stakeholders, including GLOBAL CSR.

To assist businesses in meeting the global minimum requirements on due diligence and documenting the work in one efficient system, GLOBAL CSR has developed a cloud-based platform, [csrCloud](#), that enables businesses in performing impact assessments against all human rights, environmental and economic impact areas.

II.III. Provide for access to remedy

Where the business relationship identifies that it causes or contributes to actual adverse impacts on the principles, the business relationship must provide access to remedy through legitimate processes (grievance mechanisms) for those affected. Notification of relevant authorities may also be necessary.

If the business relationship is linked to actual severe adverse impacts, but does not cause or contribute to them, the business relationship must use or build its leverage to encourage the causing or contributing entity to address the impacts and prevent or mitigate reoccurrence.

III. Implementation

- GLOBAL CSR has implemented the requirements outlined in this CoC and is prepared to share any related information or documentation with its business relationships.
- This CoC applies to GLOBAL CSR's first-tier business relationships. GLOBAL CSR's first-tier business relationships shall expect their first-tier business relationships to have similar and adequate processes in place to manage adverse impacts on the principles. This includes making business relationships aware of the minimum standard for responsible business conduct as outlined by UNGPs/OECD and requiring that business relationships meet the standard.

- If severe adverse impacts are discovered in a business relationship's value chain, the business relationship must use or build leverage to encourage the causing entity(ies) to adequately address such impacts and undertake reasonable efforts to ensure that such entity(ies) operate in accordance with the minimum standard.
- Business relationships must maintain appropriate records to demonstrate compliance with the requirements of this CoC. Appropriate records include: A policy commitment; documentation of due diligence processes, including operational-level impact assessments; transparent records on tracking specific actions; documented grievance mechanisms and documentation for similar requirements to their business relationships.
- This CoC should form a foundation for collaboration between GLOBAL CSR and its business relationships to pursue continuous improvements in managing adverse impacts on the areas covered. Should the business relationship not have implemented a management system in alignment with this CoC at the time of signing, an implementation plan should be developed and, if required, presented to GLOBAL CSR. GLOBAL CSR expects all business relationships at any time to be able to declare their stage of implementation in relation to the requirements contained in this CoC.
- If GLOBAL CSR's business relationship causes, contributes to, or is linked to *severe impacts* on human rights, the environment, or anti-corruption, the business relationship shall notify GLOBAL CSR immediately. The notification shall include an account of the business relationship's actions to end the severe impacts and to prevent or mitigate their re-occurrence. If a business relationship neglects to notify GLOBAL CSR of and address severe impacts, or if they demonstrate a lack of willingness to meet the minimum international standard, GLOBAL CSR reserves the right to end the business relationship immediately.