

# Supplier Code of Conduct

SEPTEMBER 2022

## COMMITMENT

Gram Equipment is committed to Responsible Business Conduct.

To Gram Equipment this means seeking to minimize the environmental footprint of our innovative solutions and services through high awareness of environment, circularity and Health and Safety, based on the following internationally recognized standards:

- ▶ The United Nations' Global Compact, derived from:
  - The Universal Declaration of Human Rights
  - The International Labor Organization's Declaration on Fundamental Principles and Rights at Work
  - The United Nations Convention Against Corruption
  - The Rio Declaration on Environment and Development.
- ▶ UN Guiding Principles for Business and Human Rights
- ▶ OECD Multinational Enterprise guidelines
- ▶ UN's Sustainable Development Goals of which Gram Equipment has chosen to pursue goal 5, 8, 12, 13 and 16

## EXPECTATIONS

This Supplier Code of Conduct (CoC) is a set of ethical and moral rules which we expect our employees and Suppliers to comply with. Working all over the world, we face dilemmas and challenges every day, and the CoC will support you and us during the daily activities in making informed decisions.

In Gram Equipment, we firmly believe that we should take care of the world around us, which includes society in general, beyond the requirements and regulation. Our employees are educated and trained in being compliant with the CoC. The CoC applies in all countries in which we do business. In cases where national law is stricter, national law takes precedence.

Through this CoC, Gram Equipment wish to ensure that products are manufactured in a responsible way. We aim to establish long lasting relationships with our Suppliers to our mutual benefit. It is the intention to encourage commitment to responsible manufacturing.

Customer satisfaction and success is our main focus when designing and manufacturing ice cream equipment – ice cream the way you like it!

Gram Equipment respects the culture, customs, and traditions of the countries in which our Suppliers work. We expect our Suppliers to share this respect and our commitment to the mentioned internationally recognized standards.

Gram Equipment has decided to pursue UN's Sustainable Development Goal no. 8 and expects our Suppliers to also promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Gram Equipment's Suppliers must as a minimum comply with local laws and regulations in their countries of operation. Should any of the specific provisions of this CoC legally conflict with national or local laws, the applicable laws must always prevail; in these cases, Gram Equipment must be notified.

## SUPPLIER CODE OF CONDUCT

Suppliers to Gram Equipment are expected to act in accordance with national and international legislation and Regulation.

Suppliers shall communicate this Code to their Sub-Suppliers, thus extending the standards throughout their entire supply chain.

Suppliers are expected to use their best efforts to integrate the standards of this Code into their business and operations and are encouraged to contact Gram Equipment for advice if needed.

### **HUMAN RIGHTS AND LABOR RIGHTS**

In respect of human and labor rights the specific principles of this CoC are based on the eight core conventions defined in the ILO Declaration on the Fundamental Principles of Right to Work.

We expect our Suppliers to adhere to UN Global Compact and maintain high standards in taking care of their employees and the environment in which they work.

Gram Equipment respects the fact that not only Governments can ensure that Human Rights are upheld. Therefore, Gram Equipment recognizes our responsibility in respecting and acknowledging that remediation must be provided if Gram Equipment business leads to violation of Human Rights. Gram Equipment expects its Suppliers to respect UN Global Compact and its Ten Principles, as well as recognizing that remediation must be provided in case of breaches to the Ten Principles.

### **WORKING HOURS AND ADEQUATE REST**

Employees must be treated within the applicable national or local laws and regulations regarding working hours, overtime work and other areas of labor and employment. Working hours should be mutually agreed upon between the company and the employees. In companies where an organized labor union exists working hours should be defined through the collective bargaining process.

The Supplier must give the employees at least a collected 24-hour period of rest every 7 days in accordance with ILO.

Employees are entitled to at least the statutory legal minimum wage or the standard benchmark rate in the industry, whichever is higher. The wages should always be enough to meet basic needs – living wages set by law.

### **FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Employees must have freedom of association and the right to collective bargaining consistent with applicable law. Employees must have the right to join or not to join a union.

Managers, supervisors and guards must be trained in respecting employees to associate freely.

### **CHILD LABOR/YOUNG WORKERS**

Gram Equipment believes that all children have the right to a childhood and an education. Supplier must ensure that no person shall be employed at an age younger than 15 or younger than the age of completing compulsory education. Where national law permits, workers of 12 to 15 of age may undertake light work a few hours a week provided it is not likely to neither be harmful to their physical or mental health and development nor prejudice their attendance at school.

Young workers under the age of 18 years must not be employed in hazardous work or do nightshifts.

Should a child below the age of 15 be found at one of Gram Equipment's Suppliers we expect the Supplier to take full responsibility and not fire the child but ensure that the child will go to school, and a monthly compensation will be provided to the family.

### **DISCRIMINATION AND HARASSMENT**

Gram Equipment will not conduct business with Suppliers who discriminate against employees or applicants on the basis of their caste, national origin, ethnicity, religion, age, disability, gender, material status, sexual orientation, union membership, political affiliation, health, pregnancy or any other form of discrimination.

Gram Equipment pursues UN's Sustainable Development Goal no. 5. Gram Equipment expects that Supplier takes all appropriate measures to achieve gender equality and to eliminate discrimination against women in the field of employment, in order to ensure, on a basis of equality of men and women, the same rights.

Gram Equipment does not accept bullying or the punishment of employees. Gram Equipment will not accept the use of physical, psychological, verbal, or sexual harassment towards any of the Supplier's employees or any employee of Gram Equipment.

### **FORCED LABOR**

Gram Equipment will not conduct business with Suppliers who use forced or involuntary labor. This includes forced prison workers, workers on a forced contract, slavery and workers forced to work against their free will or choice.

### **PRISON LABOR**

Gram Equipment does not use prison labor.

If Gram Equipment's Suppliers choose to use voluntary prison labor, the laborer must be treated as an equal and must not be discriminated against. The laborer must be paid; at a minimum living wage and have the same rights regarding working hours as a regular employee.

### **HEALTH AND SAFETY**

All Suppliers to Gram Equipment must provide a clean, safe, and healthy working environment for all employees. The Supplier must comply with all applicable national laws and regulations. At a minimum:

## SUPPLIER CODE OF CONDUCT

- ▶ Workers must not be exposed to dangerous work without being properly protected.
- ▶ Workers are instructed in the use of Personal Protective Equipment and usage must be enforced.
- ▶ Facility management should support the formation of a workers' Health and Safety committee.
- ▶ Facilities must ensure that there are adequate fire alarms and extinguishers and clear instructions on evacuation and the use of fire equipment and that they are in compliance with laws and regulations.
- ▶ Facilities must provide appropriate light and ventilation.
- ▶ Hazardous materials must be stored correctly and in a safe and maintained space and used by trained personnel only.
- ▶ Machinery must be shielded and properly maintained.
- ▶ Facilities for meals, resting and sleeping must be kept clean and safe, if these are provided.

### PREVENTION OF INJURIES

A thorough risk assessment must be conducted to ensure that employees do not work in a dangerous environment. If any high-risk areas are found and unable to be eliminated the Supplier must supply personal protection equipment and risk areas must be clearly signed.

There must at all times be sufficient employees trained in first aid and first aid equipment for them to use.

### ENVIRONMENT

Gram Equipment encourages its Suppliers to think environmentally friendly and recycle as much as possible. Implementation of policy and procedure on environmentally friendly initiatives are expected to prevent the occurrence of harm to environment, natural resources, and local communities.

Gram Equipment pursues UN's Sustainable Development Goal no. 12 and 13. Gram Equipment therefore expects that Supplier implements policies and procedures on environmentally friendly initiative to prevent the occurrence of harm to environment, natural resources, and local communities. These policies shall aim to ensure sustainable consumption and production patterns and to combat climate change and its impacts.

Gram Equipment respects the rights of forest dwellers, indigenous people, small holders, squatters, minority groups and pastoralists and will not accept land grabbing or ruining of local biodiversity.

There must at all times be a Land Contract Transparency disclosure to ensure that there is free, prior and informed consent if any right holders or communities are affected by the workings of Gram Equipment or its partners.

If there are any grievances from rights holders or communities, they must at all times be allowed to contact Gram Equipment partners or Gram Equipment itself.

All local and national laws and regulations must be ratified. Gram Equipment expects the Supplier to make an environmental management plan that should help minimize the effects on the environment from business activities.

### **WATER**

Gram Equipment recognizes the need to take of the world's water supplies, therefore, Gram Equipment expects its Supplier to consider their water usage and have an action plan for the reduction of water and recycling of the same. All water must be disposed of according to laws and regulations.

### **WASTE**

Gram Equipment expects its Suppliers to have a waste management plan. The Supplier should sort their waste to better be able to recycle or dispose the waste in a non-harmful way to the environment.

### **ENERGY/GREENHOUSE GAS**

Suppliers are expected to work to reduce energy consumption and greenhouse gas footprint. Suppliers are expected to make a plan for the reduction of footprint and local laws must be adhered.

### **ETHICS**

Gram Equipment expects its Suppliers to always conduct themselves in an ethical and morally correct way. This includes the treatment of own employees, Gram Equipment employees, sub-Suppliers to Gram Equipment and the local population.

Gram Equipment pursues UN's Sustainable Development Goal no. 16. Gram Equipment therefore expects Supplier to show an ethical behavior and promote peace, justice, and strong institutions.

### **CORRUPTION AND BRIBERY**

Gram Equipment does not accept bribery or attempts of bribery, corruption, extortion, or embezzlement. Should a Supplier be found to be using or accepting bribery, corruption, extortion, or embezzlement the partnership between Gram Equipment and the Supplier will be reconsidered and may be terminated. This includes the promising, offering, giving, or accepting of any improper monetary benefits or other incentives.

### **GRIEVANCE AND DISCIPLINE**

Gram Equipment invites its Suppliers to contact Gram Equipment if any cases of policy breaches or misconduct that may concern Gram Equipment are found.

Please, report irregularities in Gram Equipment's whistle blower system through the following link:

<https://www.gram-equipment.com/about/whistleblower-system/>.

Gram Equipment reserves the right to contact the Suppliers' management or HR department if any problems are found with the Supplier or any of its employees.

Gram Equipment does not accept the use of physical or psychological punishment or threats thereof.

## **MONITORING**

Suppliers are expected to vouch for their subcontractors' compliance as well as for their own employees' compliance with the principles of this CoC.

Gram Equipment reserves the right to monitor Suppliers and their facilities to ensure compliance with this CoC.

Gram Equipment can request adequate action plans to correct monitoring findings and undertake follow up visits to ensure that improvements are made. If improvements do not progress in an acceptable manner Gram Equipment reserves the right to terminate the relationship.

## **RESPONSIBILITY**

Executives and senior management are held accountable for compliance with this Code of Conduct.

Company: .....

Name: .....

Title: .....

Date: .....

Signature: .....



# CONTACT INFORMATION

Please contact Gram Equipment for further information

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