**Norwegian People's Aid Ethical Standards for Procurement, Investment and Fundraising**

Approved by the Board of Norwegian People’s Aid on 31st May 2013; revised on 20th September 2014, 10th June 2016, 24th September 2021 and 24th March 2023.

**I - Introduction**

These ethical standards are approved by the Board of Norwegian People's Aid (NPA) and apply to our own employees, suppliers, investment managers, business partners and donors.

The standards are based on the Universal Declaration of Human Rights and the ILO Conventions, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, as well as the Transparency Act and other conventions on fundamental human rights and decent working conditions.

NPA considers responsible procurement practice to be one of our most important tools in working for sustainable business practices. NPA therefore adapts its own

procurement practices to strengthen, and not undermine, suppliers' ability to deliver on the requirements we set to ensure good conditions for people, society and the environment. Long-term supplier relationships, with suppliers that demonstrate a particular willingness and ability to work for positive developments in the supply chain, shall be facilitated.

Any cooperation between NPA and an external partner must comply with our overarching principles and statutes, and not undermine, or be detrimental to, NPA's core values, goals or projects. Expectations of compliance with the ethical standards shall be referred to in all contracts with external partners.

In the event of a breach of the ethical standards, NPA reserves the right to publicly criticise partners. Furthermore, NPA cannot be held responsible for, or used to legitimise, decisions made by partners on a commercial or political basis.

NPA will at all times take into consideration the exclusion lists of fund managers who are leaders in ethics and sustainability, as well as the company databases of organizations and institutions that monitor business, human rights and international law. NPA shall give priority to companies that are not included in these lists and company databases in their procurement, investment or fundraising activity. The same applies to companies that are subject to global campaigns, in which NPA participates, or companies that NPA, independently or as a result of assessments made by our partner organizations, believes to be contributing to violations of human rights or international law.

NPA shall give priority to companies that have collective agreements, and shall not use companies that do not respect the right of workers to organize and negotiate.

Supplier means the contractual partner responsible for the product, process or service provided to NPA.

Subcontractor means the business unit in the supply chain that directly or indirectly supplies the supplier with goods or services.

**II - Principles**

NPA's suppliers and business partners shall deliver goods and services that are produced in accordance with our ethical standards. Enterprises shall carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises. This includes the following:

1. Embedding accountability in company policies;
2. Mapping and assessing actual and potential negative impacts on fundamental human rights and decent working conditions that the business has either caused or contributed to, or that are directly linked to the enterprise's business activities, products or services through supply chains or business partners;
3. Implementing appropriate measures to cease, prevent or limit negative impacts, based on the enterprise's priorities and assessments pursuant to subparagraph (b);
4. Monitoring the implementation and results of measures pursuant to subparagraph (c);
5. Communicating with affected stakeholders and rights holders about how negative impacts have been dealt with pursuant to subparagraphs (c) and (d);
6. Providing or facilitating remedy where required.

Due diligence shall be carried out regularly and in proportion to the size of the enterprise, the nature of the enterprise, the context in which the activity takes place, and the severity and likelihood of negative impacts on fundamental human rights, decent working conditions and the environment.

**Boycott of individual countries**

NPA will follow up all international sanctions that are part of Norwegian law or that are expected from our donors. NPA will also avoid procuring goods and services from countries where there is broad international agreement to boycott trade because of the country's human rights situation.

**Corruption and bribes**
NPA does not accept the use of bribery in any form to provide unfair benefits to customers, agents, contractors, suppliers, employees or government officials. Reference is made to NPA's guidelines for anti-corruption and whistleblowing routines available on our website [www.npaid.org](http://www.npaid.org).

**III - Ethical Standards**

**WORKPLACE CONDITIONS**

**1. Forced labour/slave labour** *(ILO Conventions 29 and 105)*

* 1. There shall be no form of forced labour, slave labour or involuntary

work.

* + 1. Workers shall not be required to submit deposits, identity papers or passports to the employer and shall be free to terminate the employment relationship with a reasonable notice period.

**2. Trade unionism and collective bargaining** *(ILO Conventions Nos. 87, 98 and 135 and 154)*

1. Without exception, workers shall have the right to join or establish

unions of their choice, and to bargain collectively. The employer shall not interfere with, obstruct or oppose the establishing of local trade unions or collective bargaining.

2.2 The employer shall not discriminate against trade union representatives, or prevent them from carrying out their union work.

2.3 If the right to free organisation and/or collective bargaining is limited by law, the employer shall facilitate and not impede alternative mechanisms for free and independent organization and negotiation.

**3. Child labour** *(UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, ILO Recommendation No. 146)*

3.1. The minimum age of workers shall not be less than 15 years and in line with

(i) the national minimum age for employment, or

(ii) the minimum age for compulsory schooling, with the highest age as applicable. If the local minimum age is set at 14 years in accordance with the exception in ILO Convention 138, this may be accepted.

3.2 New recruitment of child labourers in contravention of the aforementioned minimum age shall not take place.

3.3. Children under the age of 18 shall not perform work that is detrimental to their health, safety or morals, including night work.

3.4. Action plans shall be established for the speedy phasing out of child labour that is in contravention of ILO Conventions 138 and 182. The action plans shall be documented and communicated to relevant staff and other stakeholders. Support schemes shall be facilitated where children are given the opportunity to study until the child is no longer of school age.

**4. Discrimination** *(ILO Conventions Nos. 100 and 111 and UN Convention on the Elimination of All Forms of Discrimination against Women)*

1. There shall be no discrimination in terms of employment, remuneration,

training, promotion, dismissal or retirement based on ethnicity, caste, religion, age, disability, gender, marital status, sexual orientation, trade unionism or political affiliation.

* 1. Protection shall be established against sexually intrusive, threatening, abusive or
	 exploitative behaviour, as well as against discrimination or dismissal on unfair
	 grounds, e.g. marriage, pregnancy, parenthood or HIV status.

**5. Brutal treatment**

5.1 Physical abuse or punishment, or threat of physical abuse, shall be prohibited. The same applies to sexual or other abuse and other forms of humiliation.

**6. Health, safety and environment** *(ILO Convention No. 155 and Recommendation No. 164)*

1. Efforts shall be made to ensure workers a safe and healthy working environment.

Dangerous chemicals and other substances shall be handled properly. Necessary measures shall be taken to prevent and minimise accidents and damage to health as a result of, or related to, conditions in the workplace.

1. Workers shall receive regular and documented training in health and safety

measures. Health and safety training must be repeated for new employees and relocated workers.

6.3 Workers shall have access to clean sanitation facilities and clean drinking water. If relevant, the employer shall also provide access to facilities for the safe storage of food.

6.4 If the employer provides lodging, this shall be clean, safe and adequately

Ventilated, and with access to clean sanitary facilities and clean drinking water.

**7. Wages** *(ILO Convention No. 131)*

1. Wages of workers for a normal working week shall at least be in line with

national minimum wage regulations or industry standards, whichever is the highest. Wages shall always be sufficient to cover basic needs, including some savings.

1. Salary conditions and payment of wages shall be agreed in writing before work

commences. The agreement should be understandable to the worker.

1. Deductions from wages as a disciplinary action shall not be allowed.

**8. Working hours** *(ILO Conventions 1 and 14)*8.1 Working hours shall be in accordance with national laws or industry standards, and not exceed working hours in accordance with applicable international conventions. Normal working hours per week shall usually not exceed 48 hours.

8.2 Workers shall have at least one day off in every 7 days.

8.3 Overtime shall be limited and voluntary. The recommended maximum overtime is 12 hours per week, i.e. total working hours of 60 hours per week. Exceptions to this may be accepted if regulated by a collective agreement or national law.

8.4 Workers shall always receive overtime pay for working hours over and above normal working hours (see section 8.1 above), minimum in accordance with applicable laws.

**9. Regular appointments**

1. Obligations to workers, in line with international conventions,

national laws and regulations relating to regular employment shall not be circumvented through the use of short-term contracts (such as the use of contract workers, casual workers and day labourers), sub-contractors or other labour relations.

1. All workers are entitled to an employment contract in a language they understand.
2. Any apprenticeship programme shall be clearly defined in terms of duration and content.

**CONDITIONS OUTSIDE THE WORKPLACE**

**10. Marginalised populations**

10.1 Production and use of natural resources shall not contribute to the destruction of resources and income base for marginalised population groups, for example, by seizing large areas of land, irresponsible use of water or other natural resources on which the population groups depend.

10.2 Every business partner, subcontractor or its subsidiaries shall, in their own production, activity, investment or commercial projects, respect the principle of free, prior and informed consent (FPIC) which states that an indigenous community has the right to give or withhold its consent to proposed projects that may affect the land it normally holds, occupies or otherwise uses.

**11. Environment**

11.1 Measures to reduce negative impacts on health and the environment throughout the value chain. In line with the precautionary principle, measures shall be implemented to continuously minimise greenhouse gas emissions and local pollution; the use of harmful chemicals; pesticides; and to ensure sustainable resource extraction and management of water, oceans, forests and land and the conservation of biodiversity.

11.2 National and international environmental legislation and regulations shall be complied with and relevant emission permits obtained.

**12. Supplier routines and follow-up**

Management systems are central to the implementation of ethical standards. NPA emphasizes the importance of suppliers having systems that support their implementation. Our expectations are made clear by the following:

* Suppliers should designate a responsible person, central to the organisation, for the implementation of the ethical guidelines in their own operations;
* The supplier shall make the guidelines known in all relevant parts of its organisation;
* The supplier shall obtain consent from NPA before all or part of a production process is outsourced to a subcontractor/contractor where this has not been agreed in advance;
* The supplier must be able to explain where goods ordered by NPA are produced.

**13. Respect for human rights and international humanitarian law**

In line with these principles, NPA expects all suppliers to respect internationally recognised human rights. The UN Guiding Principles on Business and Human Rights specifically state: "Moreover, in situations of armed conflict, businesses should respect standards of international humanitarian law." NPA expects our suppliers to respect the standards of international humanitarian law in situations where these apply.

**14. Corruption**

Any form of bribery is unacceptable, such as the use of alternative channels to ensure illegitimate private or work-related benefits to customers, agents, contractors, suppliers or their employees, as well as any government officials.

**15. Animal welfare**

15.1. Animal welfare shall be respected. Measures should be taken to minimise negative impacts on the welfare of farmed and working animals.

15.2. National and international animal welfare legislation and regulations shall be complied with.

**IV – Audits and Monitoring**
In order to assess suppliers' compliance with these standards, NPA will make use of audits, either conducted by its own employees or by approved third parties. We reserve the right to monitor compliance with the standards by means of systematic, unannounced or announced inspections, conducted by NPA personnel or independent auditors. Any known censurable conditions can be reported via the website of NPA.

**V - Corrective Action and Non-Compliance**
NPA is committed to adhering to the highest standards of ethical behavior. Failure to comply may result in termination of business relationships. NPA recognizes that its own business practices may also have potential negative impacts on people, society and the environment, and undertakes at the same time to implement its own corrective actions and remedy damage caused by its own activities.