



Code of Conduct

Purpose and Scope

This Code of Conduct for suppliers as well as other “Cetro Medical partners” defines our basic requirements in the areas of business ethics, human rights, employment, health and safety and environmental performance. The Code is based on:

- UN Declaration of Human Rights
- UN Global Compact
- ILO Principles of Rights at Work
- OECD Guidelines for Multinational Enterprises

It is very important for Cetro Medical that our products are produced and handled in a sustainable way. This applies to our closest partners as well as the entire value chain. Cetro Medical expects our suppliers and other partners to implement the principles described in this Code of Conduct in their own businesses or have at least equivalent standards adopted and conduct their business in accordance therewith. We also expect you to set similar requirements for your suppliers and partners.

Legal Compliance and the Code

This Code sets up a minimum requirement of expectations and demands on Cetro Medical suppliers and other partners. If provisions in other laws, regulations or rules have a more stringent position to the standards written in this Code, those shall be observed and complied with. In cases of conflict between this Code and a mandatory local regulation, the local regulation shall be the more important. It is fundamental that suppliers and other partners shall comply with all applicable laws, rules and regulations in the countries where they operate.

Business Ethics and Anticorruption

Cetro Medical’s suppliers and other partners are expected to apply good business practices. Cetro Medical’s suppliers and other partners shall not engage in or tolerate any form of corruption, bribery, extortion or embezzlement. Suppliers shall not offer or accept any benefits or other means to obtain any improper advantage. Such improper benefits may comprise cash, non-monetary gifts, pleasure trips or services and amenities of any other nature. Suppliers and other Cetro Medical partners shall avoid conflicts of interest that may compromise the supplier’s credibility in the Cetro Medical group.

Suppliers shall respect and comply with all applicable competition laws and regulations and not enter into discussions or agreements with competitors concerning pricing, market sharing or other similar activities.

Suppliers shall respect intellectual property rights and protect information by safeguarding it against misuse, theft, fraud or improper disclosure.

Personal information (including that from workers, business partners, customers and consumers in their sphere of influence) shall be collected, used and otherwise processed with reasonable care, in accordance with privacy and information security laws and regulatory requirements.

Human Rights

Cetro Medical expects its suppliers and other partners to respect internationally proclaimed human rights for all workers including for example temporary, migrant or contract workers and direct employees within the organization as well as at outsourced processes.

All workers shall have the right to enter into and to terminate their employment freely.

Suppliers should take measures to avoid causing, contributing to or being linked to negative human rights impacts.

Child Labour and Young Workers

Child labour are unacceptable, unless the exceptions recognized by ILO apply. Suppliers and other Cetro Medical partners shall establish robust age-verification mechanisms, which may not be in any way degrading or disrespectful to the worker. If it turns out that children are employed, they should be dismissed with care and assurance that they will reach a better life situation and don't get into more hazardous employment such as prostitution, drug trafficking etc.

Where young workers are employed, it should be ensured that:

- the kind of work is not likely to be harmful to their health or development.
- their working hours do not prejudice their attendance at school, or their capacity to benefit from training programs.

Modern Slavery and Forced Labour

All forms of modern slavery are unacceptable. Suppliers and other Cetro Medical partners shall not participate in, or benefit from any form of forced labour. Restriction of the movement of employees by, for example, confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, violence or any other abuse is not acceptable.

No Discrimination

Suppliers and other Cetro Medical partners shall not discriminate or exclude persons on the basis of gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organization, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination. In particular, workers shall not be harassed or disciplined on any of the grounds listed above.

Indigenous People

Suppliers shall respect the rights of indigenous and tribal peoples and their social, cultural, environmental, and economic interests, including their connection with lands and other natural resources.

Use of security personnel

Suppliers shall ensure that all security personnel, including contracted security personnel, respect the human rights and dignity of all people and in case of threat use reasonable force, proportional to the threat.

Employment Conditions

Cetro Medical expects suppliers and other partners to not use employment arrangements in a way that deliberately goes against the genuine purpose of the law. This includes for example apprenticeship schemes where there is no intent to impart skills or provide regular employment, seasonality or contingency work when used to undermine workers' protection and labour-only contracting. Use of sub-contracting may not serve to undermine the rights of workers.

Clear Employment Conditions

Suppliers and other Cetro Medical partners shall before employment provide the workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment.

Freedom of Association and Collective Bargaining

Suppliers and other Cetro Medical partners shall respect:

- the right of workers to form unions in a free and democratic way according to applicable law in that country.
- workers' right to bargain collectively.
- workers' representatives and give them access to workers in the workplace for interaction with the workers.

In situations where the right to freedom of association and collective bargaining is restricted by applicable laws and regulations, it is expected to allow alternate forms of worker representations.

Fair Remuneration

Cetro Medical expects suppliers and other partners to pay the workers fair remuneration that is sufficient to provide them with a decent living for themselves and their families. Also social benefits legally established are expected to be paid.

Suppliers and other Cetro Medical partners shall as a minimum comply with wages mandated by governments' minimum wage legislation, or industry standards approved on the basis of collective bargaining, whichever is higher.

Wages are to be paid in a timely manner, regularly, and fully in legal tender. Partial payment in the form of allowance "in kind" is accepted in line with ILO specifications. The level of wages is to reflect the skills and education of workers and shall refer to regular working hours. Wages shall be reviewed at least yearly.

Deductions will be permitted only under the conditions and to the extent prescribed by law or fixed by collective agreement.

Decent Working Hours

Cetro Medical suppliers and other partners shall ensure that normal working hours and overtime working hours are within the limits permitted by applicable laws and regulations or agreed to in relevant collective agreements.

Overtime shall be voluntary, paid at a premium rate according to applicable laws and regulations or agreed to in relevant collective agreements. Overtime is expected to be paid with no less than one and one-quarter times the regular rate. There shall be resting breaks every day, and during overtime work.

Grievance channels

Cetro Medical suppliers and other partners shall ensure that workers are not subject to inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse. All disciplinary procedures must be established in writing and are to be explained verbally to workers in clear and understandable terms.

Cetro Medical expects suppliers and other partners to have appropriate grievance mechanisms that are available to personnel and interested parties, to make comments, recommendations, reports or complaints concerning the workplace, the environment or supplier's business practices.

Health and Safety

Cetro Medical suppliers and other partners shall comply with occupational health and safety regulations, or with international standards where domestic legislation is weak or poorly enforced and ensure a safe and healthy workplace or any other location where work is undertaken. This means for example to:

- Adopt a systematic approach for continuously improved work environment. The approach includes for example co-operation between management and workers, systems in place to detect, assess, avoid and respond to potential threats to the health and safety of workers, and setting and follow up of goals.
- Always provide effective Personal Protective Equipment to all workers free of charge.
- Ensure access to drinking water, safe and clean eating, cooking and food storage areas in working places as well as in residential buildings provided by the employer.
- Provide safe and clean sanitary facilities separated for men and women.
- Ensure that emergency equipment shall be available both in working and residential areas.
- Ensure that exit ways are available and free from obstacles, and that workers are allowed to use them without seeking permission.
- Ensure access to adequate occupational medical assistance and related facilities.

Environmental performance

Cetro Medical's suppliers and other partners are expected to manage their operations responsibly in relation to environmental risks and impacts. You shall always:

- Obtain all permits and licenses, comply with regulations and report environmental issues in accordance with local demands.
- Eliminate the use of hazardous substances when possible. If hazardous substances can't be eliminated, safe handling, storage and disposal of the substances shall be ensured. The European Union directives REACH and RoHS regarding chemicals shall be followed.
- Establish routines to adopt a precautionary approach to ensure minimization of risks for environmental impact as well as effects on the community.
- Prevent pollution of air, soil and water from processes.

You are also expected to:

- Reduce consumption of energy and water and choose energy from renewable energy sources.
- Monitor the environmental impact.
- Strive for an effective use of resources through use of renewable and/or reused material.
- Strive for minimization of emissions and waste generated.
- Strive for reduced climate impact with the long term goal of reaching a carbon neutral production.

Management system and goals for continuous development

Cetro Medical's ambition is to have long-term relationships with our suppliers and partners. It is therefore important for us that you are constantly evolving and improving. A requirement is to adopt a systematic approach with goals for continuously improved sustainability performance. Our recommendation is that you also keep a certified management system.

Follow-up of the Code of Conduct

Cetro Medical expects suppliers and partners to allow Cetro Medical to conduct audits of operations relevant for the Cetro Medical Code. Cetro Medical also expects its suppliers to conduct appropriate due diligence in their own operations and supply chain.

If Cetro Medical finds that a supplier is not meeting the requirements and expectations set out in this Code of Conduct, Cetro Medical may offer guidance specifying which issues need to be corrected or improved. The supplier should then take corrective actions promptly and commit to showing progress.

If the supplier or other Cetro Medical partner believe that the terms of this Code are not adhered to, or believes that Cetro Medical is not acting in accordance with its own Code of Conduct, Cetro Medical encourages such concerns to be raised to the board.