

Supplier - Code of Conduct

Responsible suppliers

About

What and why?

At TreCe we want to work with responsible suppliers that care for humans and the environment.

This means responsible suppliers that don't cut prices or run their businesses at the expense of people and the environment. -That's not fair play.

To make sure we are working with responsible suppliers through the whole supplier chain we have to work together.

-We need and demand you help to ensure this.

So, this is why we've made our Supplier Code of Conduct, based on the United Nations Global Compact's ten principles on **Human Rights, Labour Standards, Environment and Anti-corruption**.

This code of conduct is also based on the UN Guiding Principles on Business and Human Rights, and the OECD Due Diligence Guidance for Responsible Business Conduct.

Who?

Our Code of Conduct requirements apply to our entire supply chain. TreCes direct supplier is responsible for forwarding the requirements down the supply chain and ensuring that sub-suppliers comply.

At TreCe Sara Shakespeare is our contact person for any questions or issues regarding the requirements, please feel free to contact any time.



HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION

The global compact - 10 principles

Human Rights:	Principle 1: support and respect the protection of internationally proclaimed human rights within their sphere of influence; and Principle 2: make sure that they are not complicit in human rights abuses.
Labour Standards:	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: eliminate discrimination in respect of employment and occupation.
Environment:	Principle 7: support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption:	Principle 10: work against all forms of corruption, including extortion and bribery.

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How?

We work systematically to prevent and manage any non-compliances and to ensure continuous improvement.

Transparency To verify that our supply chain is working with the requirements complete transparency is expected.

Risk analysis We carry out carry out risk-based assessments of the mapped out supplier chain. Current and potential risk are then prioritised in order based on the severity and likelihood.

Follow up We'll be following up compliance of the requirements in this Code of conduct through self-assessments and/or

on-site audits conducted by TreCe or a third party. These audits include interviews with employees and access to accurate documentation.

Compliance management In the event that a company or its supplier violates the requirements, corrective measures must be taken. A corrective measure means that a company ensures that its own company, or supplier, rectifies the non-compliance as quickly as possible, within an agreed period of time. All information obtained through self-assessments or audits is handled as confidential and will not be passed on to a third party without the suppliers' consent.

This Code of Conduct aims to make the commitment clear within TreCes' organisation, our suppliers customers and other stakeholders.



Anders Renström, CEO, TreCe AB

Stockholm, 2021-09-08

Place / Date

Requirements

HUMAN RIGHTS

The supplier shall support and respect human rights. The United Nations Universal Declaration of Human Rights (1948) Suppliers shall;

- Have a responsibility to respect and support human rights both within its own operations and in the supply chain.

- Ensure that it does not participate, directly or indirectly, in violations of human rights. This also includes situations when the supplier fails to pose questions on violations of human rights or benefits from violations that are carried out by a third party.
- Have routines in place to evaluate risks of participating in violations of human rights through its operations.

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LABOUR LAW

Labour law refers to compliance with the International Labor Organization's (ILO) eight core conventions on fundamental principles and rights at work, the UN Convention on the Rights of the Child, Article 32, the labor law, including provisions on pay, working hours, leave and social security in the country where the work is performed, together with occupational health and safety and the work environment legislation that applies in the country where work is performed.

- Child labour is prohibited (ILO 138 och 182, UN Child Rights Convention article 32)
- Forced labour is prohibited (ILO 29 och 105)
- Discrimination and harassment is prohibited (ILO 100 och 111)
- Freedom of association and collective bargaining (ILO 87 och 98)
- Terms of employment, wages, and working hours
- Safe and hygienic work environment (ILO 155 och 170)

Child labour

Child labour is prohibited (ILO 138 and 182, UN Child Rights Convention, Article 32)

The supplier shall;

- Support ILO's convention of minimum age to enter work. No one should be employed under the age of 15 or under the age of having accomplished compulsory school.
- Employees aged between 15 and 18 must not be employed for risky work or work which is contrary to the development of the child (physically, psychologically, spiritually, morally or socially).
- There must be a policy for the type of tasks that people between the ages of 15 and 18 may perform.

Forced labour

Forced labour is prohibited (ILO 29 and 105)

The supplier shall;

- Ensure elimination of all forms of forced and compulsory labour or services exacted under the menace of any penalty and for which the said person has not offered himself voluntarily.
- Ensure that forced labour, including slave labour, bonded labour or involuntary prison labour does not take place.
- Ensure that all labour shall be voluntary, and the employee shall have the right to terminate employment following a reasonable term of notice.

Discrimination and harassment

Eliminate discrimination and harassment (ILO 100 och 111)

The supplier shall;

- Not accept discrimination and harassment which is not based on the merits or qualities of a particular job, but involves differential treatment discrimination due to gender, race, language, colour of skin, sexual preference, pregnancy, parental or marital status, religion, political opinions, national origin, ethical values, social background, disability, age, health condition, membership in trade union or other traits of character that are protected by applicable legislation.
- Not accept harassment instances when employees are subject to harsh or inhuman treatment, including sexual harassment or other forms of psychological or physical punishment.
- Support diversity and equal opportunities in employment.

Freedom of association and collective bargaining

The Supplier shall uphold the freedom of association and the effective recognition of the right to collective bargaining; (ILO 87 and 98)

The supplier shall;

- Ensure that all workers are, as far as any relevant laws allow, free to form and to join or not to join trade unions or similar external representative organizations and to bargain collectively if they are a member of such a group. Collective bargaining is defined as negotiations between employer and worker representatives (freely and independently chosen by the workers).
- Ensure that there is a possibility for workers to organize in work meetings or equivalent when freedom of association is not allowed.
- Ensure that meetings and discussions are without the risk of negative sanctions

Wages and hours of work

The supplier shall;

- Pay wages directly to employees within the agreed time and in full.
- Support the payment of living wages to employees, and under no circumstances support the payment of less than the national or locally stipulated minimum wage.
- Pay overtime compensation and clearly specify in wage statements.
- Give employees min. of one day of rest per week.
- Working hours shall not exceed legal limits or a maximum of 60 hours per week, including overtime.
- Leave, including vacation, holidays, sick leave and parental leave shall be compensated in accordance with national legislation.

Work conditions

Safe and hygienic working environment (ILO 155 and 170)

The supplier shall;

- Provide a safe and hygienic work environment in an area that the employer has direct or indirect control over, that guarantees employees when present to be free or protected from conditions which can constitute a hazard for the employee's physical and or psychological health.
- Provide employees with a safe and healthy working environment where preventative measures shall be taken which reduce injury and risks to health. This includes a register of accidents/incidents.
- Ensure employees get regular training and instructions for operating machines and other equipment.
- Ensure that employees receive training on the potential health risks that the work can entail, including fire safety, hazardous operations and first aid.
- Regulate temperature, air quality and noise levels according to local law. If the work environment cannot be changed it should be improved with the help of protective equipment.
- Ensure employees have access to all necessary protective equipment without having to pay for it.
- Document routines for chemical handling, including safety data sheets.
- Ensure fire protection equipment and evacuation plans are available and clearly visible in all areas. No blocked exits. Fire drills on a regular basis.
- Provide a workplace that is clean, tidy and safe. It should supply hygiene facilities. This also applies to accommodation for employees if provided.

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ENVIRONMENT

Environment refers to compliance with the environmental protection legislation that applies in the country where the work is carried out and that the business must be conducted with regard to the environment surrounding the company. Suppliers are encouraged to apply a life-cycle perspective.

Precautionary approach to environmental challenges

The supplier shall;

- Emphasize caution, pausing and review before leaping into new innovations that may prove disastrous to the environment.
- Identify risks regarding negative environmental impact where the environmental impact is greatest. Risk management is done in a responsible and cautious way.
- Ensure responsible manufacturing and choice of materials.

Environmental responsibility

The supplier shall;

- Document and communicate environment policy, which has been approved by the management.
- In order to ensure constant improvement, have long-term and short-term environmental goals, along with an established action plan.
- Have a control system for the observance of laws, including a list of laws.

Encourage development

The supplier shall;

- Provide all employees with environmental training.
- Document routines for monitoring and following up environmental performance.
- Take initiatives to promote environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Anti-corruption refers to compliance with the UN Convention against Corruption as well as the bribery legislation that applies in Sweden, in the country where all or parts of the product are manufactured and such other country's law that otherwise covers the company's operations.

Work against corruption in all its forms, including extortion and bribery.

The supplier shall;

- Not tolerate any form of extortion or bribery or favouritism to or from employees or organisations. This includes agents and other intermediaries. Our definition of bribes and corrupt behaviour is based on chapter VII in the OECD's guidelines for multinational corporations.
- Have a systematic approach for detecting, remediating and handling corruption, bribery and other wrongdoings.
- Dissociate itself from all illegal restriction of competition that includes employees, customers, contractors or individuals working on a self-employed or self-contracted basis.