

# CODE OF CONDUCT

## 1 General

Mercado Medic is an international company. Our business activities affect many stakeholders including owners, investors, employees, customers, partners, suppliers, subcontractors and the society. All our stakeholders should be confident that the ways we do business do not only comply with legal requirements, but also meets the highest ethical standards to ensure that our reputation remains good. The Code of Conduct describes the requirements and expectations regarding employees' rights, working conditions and the impact on the external environment that Mercado Medic imposes on both our own organisation and our suppliers. The purpose of this Code of Conduct is to describe the ethical principles that we, Mercado Medic, require you, as our supplier, to adhere to.

Mercado Medic's Code of Conduct is based on:

- a) UN Human rights conventions including the Convention on the rights of the child,
- b) ILO (International Labour Organization, a trade union body within the UN system) conventions on working conditions and rights in working life,
- c) The Rio Declaration on Environment and Development,
- d) UN Convention against Corruption.

## 2 Legal requirements and Human rights

### *2.1 Relation to current legal requirements*

We want to conduct all our operations in accordance with the Code of Conduct. Should any requirement in the Code of Conduct conflict with national law, the law prevails.

### *2.2 Human rights*

The employing organisation shall respect internationally proclaimed human rights and shall avoid being co-responsible in the case of violations of this right. The employing organisation must respect the employees' values, privacy and individual rights.

## 3 Labour standards

### *3.1 Freedom of association and right to collective bargaining*

Employees should have the freedom to exercise their right to be a member of organisations that represents their interests as employees, without fear of threats or harassment. The employing organisation must respect the employees' right to collective bargaining.

### ***3.2 Forced labour***

Employees should be treated with respect and dignity. Forced, involuntary or unpaid work is not accepted in any form. Salary or property may never be deposited/pledged by the employer in exchange for work. Employees should not be asked to hide money, identity documents or the like in order to keep their employment/work. No person may be detained for work for any length of time, against his will. No employee may under any circumstances be subjected to corporal punishment or any other form of physical, sexual or psychological punishment or harassment.

### ***3.3 Child labour***

The employing organisation shall not employ or use child labour. A child means anyone under 15 years of age, unless national or local law stipulates a higher mandatory school leaving or minimum working age, in which case the higher age shall apply. "Child Labour" means any work by child or young person unless it is considered acceptable under the ILO Minimum Age Convention 1973. If any child is found working at the premises of the employing organisation, the employing organisation shall immediately take steps to solve the situation in accordance with the best interests of the child.

### ***3.4 Non-discrimination***

Employees must be assessed and treated according to the individual's ability and qualifications to perform the work. Employees with equivalent experience should receive equal pay for equal work. The employing organisation shall prohibit direct or indirect negative discrimination based on age, ethnic affiliation, gender, religion, political views, social origin, sexual orientation, disability, union members or other comparable causes. The employing organisation shall prohibit and refuse to tolerate, and shall not confer upon its employees, any unacceptable or degrading treatment, including mental cruelty, sexual harassment or discrimination gestures, language or physical contact, that is sexual, coercive, threatening, abusive or exploitative.

### ***3.5 Employment conditions***

Wages must be paid regularly, on time, and be reasonable in relation to work performance. The statutory minimum wage is the lowest accepted salary. Weekly working hours must not exceed the legal limit and overtime must always be ordered, voluntary and paid. Workers must have the right to take legal leave and other legal leave (eg parental leave) and have absence due to illness without any kind of negative consequences. Employees have the right to receive a written employment contract that specifies salary and working conditions. The employee must understand the terms of the employment contract.

### ***3.6 Health and Safety***

The employing organisation shall secure that the employees are provided with a healthy and safe working environment in accordance with internationally recognized standards. The employing organisation shall do its utmost to control hazards and take necessary precautionary measures against accidents and occupational diseases. Whenever necessary employees are to be provided with, and instructed to use, appropriate personal protective equipment. The employing organisation shall provide adequate and regular training to ensure that employees are adequately educated on health and safety issues. The employing organisation shall secure

that, where it provides accommodation, it shall be clean, safe and meet the basic needs of the employees, and, where appropriate, for their families.

## **4 Environment**

The employing organisation shall take a precautionary approach towards environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies. The employing organisation shall act in accordance with relevant local and internationally recognized environmental standards. The employing organisation shall minimize its environmental impact and continuously improve its environmental performance. The employing organisation is encouraged to establish an environmental management system.

## **5 Business practices**

### *5.1 Corruption and legal regulation*

The employing organisation must comply with applicable laws and regulations regarding corruption, bribery, fraud and any other prohibited business practices. The employing organisation shall not offer, promise or provide any advantages, favours or incentive to any public official, international organisation or any other third party. This applies regardless of whether the advantage is offered directly or through an intermediary.

### *5.2 Business courtesies (Gifts, hospitality and expenses)*

The employer neither requests, accepts or offers representation or gifts that can influence - or give the impression of influencing - our own or our partners' business decisions.

Representation and gifts are handled in accordance with laws and customs, and the employer does not participate in representation beyond normal business operations. Hospitality such as social events, dinners or entertainment should be offered as an involved business purpose and that the cost is limited within acceptable limits.

### *5.3 Money laundering*

The employing organisation shall be firmly opposed to all forms of money laundering and shall take steps to prevent its financial transactions from being used by others to launder money.

### *5.4 Competition*

The employing organisation shall under no circumstances cause or be part of any breach of general or special competition regulations, such as illegal cooperation on pricing, illegal market sharing or any behaviour that is in contrary to relevant competition laws.

## 6 Application and follow-up

Mercado Medic impose the following requirements on our suppliers, subcontractors and partners:

- a) this Code of Conduct shall be complied with throughout the supply chain,
- b) this Code of Conduct shall be applied in the daily business of the company.

Mercado Medic reserves the right to announced and unannounced audits for follow-up on the compliance with the Code of Conduct. In the event of non-conformities or lack of improvements to previous non-conformities, despite having brought this to the attention of the company, Mercado Medic may terminate the cooperation with the company in question.

## 7 Approval

The Mercado Medic Code of Conduct is approved:

Place and date

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Company name

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Affidavit CEO / Signatory

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