

Trioplast Supplier Code of Conduct

January 2015

Trioplast finds it important to acknowledge the ethical, social and environmental conditions under which our supplier acts.

Introduction

This Supplier Code of Conduct (CoC) outlines the minimum standards Trioplast requires its Suppliers (as defined below) to comply with when doing business with Trioplast in addition to observing all laws and regulations governing their activities. Further guidance on how to interpret and implement this CoC is given in the Practical Guide for Trioplast Suppliers.

This CoC forms an integral part of all contracts between the Supplier and Trioplast.

1. Definitions

A "Supplier" is any person or legal entity which provides Trioplast with products or services. In addition to Suppliers who have a direct contractual relationship with Trioplast this definition also includes the Suppliers' sub-suppliers.

2. Management Systems

The Supplier shall have appropriate management systems in place to be able adherence to this CoC or its own equivalent CoC, whichever is stricter, as well as all other relevant and applicable laws and regulations. The functioning and quality of the management system shall be in proportion to the size, complexity and risk environment of the supplier's business. This means that, at a minimum:

- 2.1 The Supplier shall adopt a systematic approach to the assessment, mitigation and management of risks related to human and labour rights, occupational health and safety, responsible business and environmental impact. (hereafter referred to as "CoC issues"),
- 2.2 The Supplier shall adopt measurable performance targets in relation to CoC issues and define related actions to reach these targets with a view to ensure continuous performance improvement,
- 2.3 All applicable laws, regulations and contractual terms governing the Supplier's assignments shall be duly applied and communicated, with sufficient training provided to relevant employees and business partners.
- 2.4 The Supplier shall duly ensure and monitor that its own suppliers and sub-suppliers comply with this CoC or their own equivalent CoC. The Supplier is liable for the performance of its sub-suppliers as for its own work.

3. Human rights and labour rights

3.1 Human rights

The Supplier is required:

- 3.1.1 To respect human rights and not be complicit in human rights violations within its sphere of influence,
- 3.1.2 Businesses should support and respect the protection of internationally proclaimed human rights

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- 3.1.3 To duly map its human rights impacts whenever the need for such action is agreed,
- 3.1.4 To have in place adequate remedial mechanisms in case of any human rights violations.

3.2 Basic Workers 'rights

The Supplier is required:

- 3.2.1 Have an effective abolition of child labour, and not to employ any workers below 15 years (14 years in certain developing countries) or the minimum age according to national legislation, whichever is higher (in line with the ILO Convention 138 on child labour).
- 3.2.2 A child between the ages of 15-18 may be hired to do simpler tasks if the child has completed the mandatory schooling. The child cannot participate in the production line, heavy industry or work that can have a negative impact on the child's health.
- 3.2.3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- 3.2.4 The elimination of all forms of forced and compulsory labour,
- 3.2.5 The elimination of discrimination in respect of employment and occupation
- 3.2.6 To treat all employees fairly and respectfully.

3.3 Working conditions

The Supplier is required:

- 3.3.1 All workers must have a contract setting out working hours and wages. Wages and benefits paid for a standard working week must meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- 3.3.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 3.3.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be penalties without the expressed permission of the worker concerned. All disciplinary measures should be recorded.
- 3.3.4 Working hours comply with national laws and benchmarks industry standards, whichever affords greater protection.
- 3.3.5 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

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3.4 Working environment

The Supplier is required:

- 3.4.1 The supplier shall provide a working environment, which is bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury caused by the working environment. The supplier shall designate a manager who is responsible for the working environment including appropriate temperature, fresh air, good lighting and acceptable sanitary conditions.
- 3.4.2 We will not accept any form of discrimination and we are committed to enduring equality, diversity and equal opportunities for all, regardless of ethical background, nationality, age, marital status, gender, disability, caste, sexual orientation, trade union, political views or religion.
- 3.4.3 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

4. Worker health and safety

The Supplier is required:

- 4.1 All workers should have the appropriate equipment for protection against injuries or toxic exposure of any kind.
- 4.2 All workers should be made aware of the safety routine and regularly participate in an evacuation drill.
- 4.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 4.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

5. Environmental principles

The Supplier is required:

- 5.1 We will abide by all relevant environmental acts and regulations in the countries where we are pursuing corporate activities.
- 5.2 Businesses should support a precautionary approach to environmental challenges
- 5.3 Preventive measures are to be taken with a view to limiting polluting emissions and due considerations should be paid to natural cultural values and undertake initiatives to promote greater environmental responsibility.
- 5.4 Chemicals are to be correctly labelled and handled in a safe manner. Chemicals substitutions is to be practised so that products used are acceptable from the point of view of environmental and health protection.
- 5.5 To encourage the development and diffusion of environmentally friendly technologies

6. Responsible business

The supplier is required:

- 6.1 The businesses should work against corruption in all its forms, including extortion and bribery.

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- 6.2 To act in compliance with all applicable anti-corruption laws, by, among other things, refusing to receive or offer bribes, facilitation payments or anything of value for the purpose of obtaining or retaining business or any improper benefit or advantage,
- 6.3 To act in compliance with all rules and regulations related to the safety and quality requirements of products and services, including rules defined by Trioplast
- 6.4 To transparently and accurately record and disclose details of its business activities, corporate structure, financial situation and performance in accordance with applicable laws and regulations.

When doing business with Trioplast this means among other things that:

- 6.5 Trioplast Representatives shall not be offered any gifts, hospitality or expenses that could be considered unreasonable or inappropriate with regard to possible business transactions.

7. General requirements

The Supplier is required:

- 7.1 To immediately report any non-compliance with this CoC to Trioplast. The Supplier and any of its employees may report their concerns confidentially to:

Head of Internal Audit
Trioplast Industrier AB
Parkgatan 10
Box 143 SE-333 23 Sweden

- 7.2 to allow Trioplast, or any third party authorised by Trioplast and reasonably acceptable to the Supplier, to conduct in the presence of the Supplier an audit of the Supplier's operations relevant for this CoC including but not limited to the Supplier's facilities, and relevant extracts from books and records. At the Supplier's request, the parties involved in any such audit shall enter into a confidentiality agreement regarding the circumstances disclosed in the audit.

8. Enforcement

- 8.1 If Trioplast finds that the Supplier is not meeting the requirements and expectations set out in this CoC, Trioplast will offer guidance specifying which issues need to be corrected actions promptly as advised by Trioplast. Trioplast nevertheless reserves the right to cancel outstanding orders, suspend future orders or terminate the contract with the Suppliers in case of a material breach of this CoC.
- 8.2 Should the main contract between Trioplast and the Supplier, to which this CoC forms an Appendix, contain separate terminations rules, it is nevertheless understood by both parties that breach of this CoC may be considered a material breach of contract, thus entitling Trioplast to terminate the contract.