



FARLA MEDICAL LTD.
SUPPLIER CODE OF CONDUCT

May 2018



This document sets out the conduct Farla Medical expects all its suppliers to adhere to when engaging in a business relationship with us. The principles herein cover areas of moral behaviour, legal standards, and business ethics which the Company sees as its founding and management principles.

Farla Medical: our core values

Farla Medical is a leading manufacturer and supplier of medical consumables. As such we are fully aware of the responsibility we bear toward our customers, employees, suppliers and the communities in which we work. Thus, we have given ourselves a strict set of core values which guide us in our business relationships.

We expect all our suppliers, i.e., all companies who do business with Farla Medical Ltd, to adhere to our core values be it legal, ethical or moral values and standards. For this purpose, Farla Medical Ltd has drawn up this Supplier Code of Conduct, which sets out the standards for doing business with us.

Legal and Ethical Standards

The supplier shall comply with all laws applicable to its business. The supplier should support the principles of the United Nations Global Compact, the UN Universal Declaration of Human Rights as well as the 1998 International Labour Organisation Declaration on Fundamental Principles and Rights at Work, in accordance with national law and practice.

This especially applies to the following:

Use of Child Labour

The supplier employs no children under the age of 15. If national laws or regulations allow children between the ages of 13 and 15 to perform light work, such work is not

permitted under any circumstances if it would hinder a minor from the completion of compulsory schooling or training, or if the employment would be harmful to their health or development (reference: ILO Convention 138 (7))

"Child labour" means any work by a child or young person, unless it is considered acceptable under the ILO Minimum Age convention 1973 (C138)

The supplier employs no one under the age of 18 at night or in hazardous work or conditions.

Use of Forced Labour

The supplier shall make no use of forced or compulsory labour.

Compensation and Working Hours

The supplier shall comply with the respective national laws and regulations regarding working hours, wages and benefits. The Supplier must provide written and understandable information about the basis and calculation of their wages and any deductions to be made from them. Working hours must comply with national laws, collective agreements and overtime shall be voluntary.

Discrimination and Abuse

The Supplier does not discriminate in recruitment, wages, access to training,



promotion, termination or retirement based on the basis of race, caste, national origin, religion, disability, age, sexual orientation, marital status, union membership, political affiliation or gender.

The Supplier is not permitted to practise any physical abuse or discipline, verbal abuse, sexual or other harassment and other forms of intimidation.

Health & Safety

We expect our suppliers to strive to implement the standards of occupational health and safety at a high level. The supplier complies with applicable occupational health and safety regulations and provides a work environment that is safe and conducive to good health, in order to preserve the health of employees and prevent accidents, injuries and work-related illnesses.

Business Continuity Planning

The supplier shall be prepared for any disruptions of its business (e.g. natural disasters, terrorism, software viruses, illness, pandemic, infectious diseases). This preparedness especially includes disaster plans to protect both employees and the environment as far as possible from the effects of possible disasters that arise within the domain of operations.

Environmental Issues

The supplier complies with all applicable environmental laws, regulations and standards as well as implement an effective system to identify and eliminate potential hazards of manufacture to the environment

and some clear climate protection goals to work to. The Supplier agrees to supply us with some evidence of this when requested (such as set goals of climate protection and achievements for the past year)

Freedom of association and the right to collective bargaining

The Supplier must expect the workers right to join or form trade unions of their own choosing and to bargain collectively, also the right to choose not to join a trade union.

Regular employment

The Supplier provides work on the basis of the regular employment relationship established through national law and practice.

Bribery/ Inducements and Improper Payments

The supplier shall comply with international anti-bribery standards as stated in the United Nations' Global Compact and local anti-corruption and bribery laws including The Bribery Act 2010. In particular, the supplier may not offer services, gifts or benefits to anyone employed by Farla Medical Ltd in order to influence such individual's conduct in representing Farla Medical Ltd.

Sub-contractors & third-party suppliers of goods & services

The supplier shall communicate the principles stated in the Supplier Code of Conduct and detailed above to its subcontractors and other business partners who are involved in supplying the products and services described



in the main contract. The supplier shall motivate such parties to adhere to the same standards.

(Please refer to the ETI Base Code at the following address for more information.

<http://www.ethicaltrade.org/eti-base-code>)

Evidence relating to ethical risk

Supplier agrees to provide some kind of evidence against the information supplied to ethical risks (such as worker contract/employment agreement template copy, health and safety record book, copy of employee time sheets, rates of pay, overtime sheets, etc.) when requested.

Compliance with the Supplier Code of Conduct

Farla Medical Ltd reserves the right, upon reasonable notice, to check compliance with the requirements of the Supplier Code of Conduct. Farla Medical Ltd encourages its suppliers to implement their own binding guidelines for ethical behaviour.

The supplier encourages its suppliers to adhere to the ethical standards, human rights, health and safety standards and environmental standards upon which this agreement is based, as part of fulfilling their contractual obligations.

Please sign below to indicate that you have read and agree to comply with all aspects of the Code, including the timeline above. In signing, you are also indicating your agreement that any breach of the obligations within this Supplier Code of Conduct may also be considered by Farla Medical Ltd, a material breach of the supply contract.

Please note that it is the aim of Farla Medical Ltd to work with all suppliers to assist improvements and establish higher lever Labour Standards. However, Farla Medical Ltd expects full compliance to the ILO conventions, and other Labour Standards codes referred to in this document.