

# Supplier Code of Conduct

Shared commitment towards ethical  
and responsible business



**Coloplast** is determined to conduct business with organisations who share its commitment to ethical standards and to international frameworks, initiatives, standards and conventions that set the best practice within responsible business conduct.<sup>1</sup>

<sup>1</sup> such as the United Nations Global Compact (UNGC), the Sustainable Development Goals (SDG), the United Nations Guiding Principles on Business and Human Rights (UNGP), the United Nations Universal Declaration of Human Rights, the core labour conventions of the International Labour Organisation (ILO), the United Nations Convention against corruption, OECD Guidelines for Multinational Enterprises and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions

## Objective

This Code of Conduct is established to ensure that all Suppliers working for Coloplast are informed of Coloplast's expectations and requirements and can demonstrate it upon request.

## Scope and Implementation

The Coloplast Code of Conduct for Suppliers (hereinafter referred to as 'Code') sets out minimum requirements for all Coloplast's Suppliers notwithstanding the types of goods or services provided (hereinafter referred to as 'Suppliers' or 'Supplier' ) to operate in accordance with this code and in full compliance with all applicable laws and regulations.

Where the standards of this Code differ from local and national laws, we expect our suppliers to apply the stricter rules. Coloplast's suppliers must strive to act responsibly in all aspects of their local, national, and global communities, including in the business, political, environmental, and philanthropic activities in which they participate.

Suppliers are expected to implement systems to demonstrate compliance with and continuous improvement to the principles and standards, as stated in this Code and with other applicable requirements. Coloplast encourages its Suppliers to conduct due diligence on their own activities as well as on their supply chain to gain an understanding of their impacts on society, communities and the environment in order to avoid and mitigate any negative effects. Coloplast's encourages its Suppliers to create their own version of a Code of Conduct and engage with their own supply chain to promote responsible and ethical business practices.

Where specified in contracts, Coloplast shall retain audit and inspection rights to verify compliance.

## Business Ethics

Coloplast expects its Suppliers to compete on the merits of their products and services. Suppliers shall not seek to gain any unfair competitive advantage or exercise improper influence in any way.

### **Corruption and Bribery**

Coloplast does not tolerate any corrupt practice and requires its Suppliers to comply with the anti-corruption and anti-bribery laws and regulations that govern operations in the countries in which the Suppliers do business as well as internationally applicable anti-corruption laws. Suppliers should avoid facilitation payments and work towards their elimination.

### **Gifts and Business Hospitality**

In any business relationship, our Suppliers shall ensure that the offering or receipt of any gift or business courtesy, including hospitality, is permitted by law and regulation, and that these exchanges do not violate the rules and standards of the recipient's organisation and are consistent with reasonable marketplace customs and practices. Gifts and hospitality offered to Coloplast employees may not exceed token value and may never be offered as an attempt to influence business decisions. Hospitality offered to Coloplast employees must always be related to business activities.

### **Donations and Contributions**

Coloplast's Suppliers shall avoid any political contributions, charitable donations, or sponsorships that would aim at or give the appearance of aiming at gaining an unfair competitive advantage or exercising improper influence.

### **Conflict of interest**

Suppliers are encouraged to actively work against any conflict of interests in their business dealings.

Any potential or actual conflict of interest should be disclosed to Coloplast in writing as soon as it is identified so that it can be mitigated accordingly.

#### **Anti-trust and competition laws**

Coloplast's Suppliers are required to adhere to anti-trust and other competition laws.

#### **Foreign trade controls**

Suppliers must adhere to applicable national and international foreign trade control laws pertaining to business transactions with countries, companies and persons (sanctions), and the transfer of goods and services, software or technology between countries (export controls).

#### **Data Privacy**

Suppliers must respect the rights to privacy and data protection of their employees and of individuals they cooperate with. They must adhere to all relevant data privacy laws and comply with contractual requirements on confidentiality and information security.

#### **Intellectual property**

Coloplast delivers medical device products to enable our users to live the life that they want by working with Suppliers that can best meet our business demands and requirements in terms of cost, innovation, integrity, quality, suitability, credibility and sustainability. Suppliers shall respect Coloplast's intellectual property rights, protect Coloplast's trade secrets and confidential information, and safeguard customer information. Suppliers shall manage technology and know-how in a manner that protects intellectual property rights.

## **Labour and Human rights**

Coloplast's Suppliers are required to respect all applicable laws, regulations and international standards related to labour practices and protection of human rights.

#### **Health and safety**

Coloplast expects its Suppliers to provide a safe and healthy working environment for employees and others who are on a Supplier site, including in its dormitories, if applicable. Suppliers must ensure management of hazards and risks associated with their operations, including the provision of adequate protective equipment. They must ensure continuous training of their employees about safety practices in the workplace and support workers' engagement, including empowering workers to raise any unsafe practice or condition without fear of reprisal.

#### **Personal Hygiene / Illness**

Suppliers must take appropriate measures to ensure that products are not contaminated during handling. Adequate hand washing facilities shall be provided in rest rooms, break rooms and at entry points into production areas. Suppliers shall maintain adequate control of employee illness, injury and communicable disease that may result in pathogen transmission through product.

#### **Employment conditions**

Suppliers shall provide their employees with a binding employment contract or document describing the key conditions of their employment, written in a language they understand and as per local regulations and as a minimum including the relevant provisions on worker's rights in this Code. Suppliers shall establish and enforce fair disciplinary, grievance and termination procedures. Suppliers shall take extra precautions to respect the rights and wellbeing of migrant workers whose rights may be at risk or who may lack access to basic public services.

#### **Collective bargaining and right to associate**

Coloplast requires its Suppliers to respect the rights of their employees to associate freely, join or not join trade unions and/or workers' councils, and engage in collective bargaining in accordance with national laws and international conventions.

### **Wages, benefits and working hours**

Work should be organised so that the rights of employees to a private life and leisure time with their family are respected. Suppliers shall ensure that their employees' pay and benefits for work within regular working hours are sufficient to cover their basic needs and as a minimum, correspond with the statutory or collectively agreed minimum pay. Suppliers must comply with appropriate working hour requirements including overtime, breaks, and rest periods – as established by national law, relevant collective agreements and international standards, standards for paid sick leave, paid annual leave and paid parental leave. Overtime work should be assigned on a voluntary basis and should allow for the circumstances of the individual employee. The number and duration of breaks must allow for the nature of work and should allow the employees time for resting and recuperation without prompting disciplinary measures. Suppliers must adhere to social insurance regulations.

### **Non-discrimination and equal opportunities**

Coloplast requires that its Suppliers ensure equal treatment of its employees and refrain from discrimination in any form. Suppliers shall commit to a workplace free of harassment and abuse, and not use, or permit the use of, corporal punishment or other forms of mental or physical coercion, sexual harassment or abuse, nor execute threats of such treatment. Coloplast encourages Suppliers to promote inclusion and diversity among its workforce.

### **Child labour and young workers**

Suppliers shall not use child labour. The employment of young workers should respect the age limits established by ILO:

- From the age of 13 for light work, and
- From the age of 15 for non-hazardous work to ensure it does not interfere with compulsory schooling.

If children or youth are found to be working and not complying with these directions, they should not be discharged without the Supplier making a plan ensuring their welfare and settling them in an educational programme.

### **Forced or bounded labour**

Suppliers shall not use forced labour, bonded labour, forced overtime work, forced prison labour and/or trafficked workforce. Employment should be freely chosen and employees free to leave after reasonable notice is served. Suppliers shall not require their employees to retain their identification papers, deposits nor use repayment of debts through work.

### **Security personnel**

Security personnel employed to protect Suppliers' property must be sufficiently trained in using power to an extent matching the threats they may be facing, without infringing the freedom and safety of others. In case a Supplier relies on support from state security forces, the Supplier should maintain a dialogue with the authorities about the means to be applied.

## **Environmental and natural resources**

Suppliers must integrate environmental considerations in their activities and strive for continuous improvement, by minimizing any adverse effects of their activities and products on the environment. Suppliers must comply with relevant local and national environmental laws and regulations, as well as all requirements for environmental licenses and permits.

### **Environmental care**

Suppliers shall strive to develop and implement environmental procedures that include measurement and monitoring in order to identify environmental risks and impacts and to ensure pollution prevention measures are in place. They must strive to reduce waste, energy, and emissions to air, ground, and water. Suppliers are expected proactively to continuously reduce the greenhouse gases (GHG) emissions connected to the products, services and activities performed. The handling, storage and disposal of hazardous materials such as chemicals and/or waste must be done in an environmentally safe manner.

Suppliers shall contribute to the recycling and reuse of materials and products and implement environmentally friendly technologies where possible. Suppliers shall have systems in place to prevent and mitigate accidental spills and releases to the environment. To the extent possible, Suppliers shall not use hazardous material in their products.

#### **Animal welfare**

Those Suppliers that implement testing on animals must ensure that animals are treated respectfully, with pain and stress minimized. Animal testing should be performed after consideration to replace animals, reduce the numbers of animals used or refine procedures to minimize distress. Alternatives should be used whenever scientifically valid and acceptable to regulators.

## **Quality Considerations**

Suppliers shall take due care to ensure their work product meets Coloplast quality standards and specifications.

Suppliers of materials, components or Finished Devices must have quality assurance processes in place to

- Ensured continued quality
- Identify defects
- Implement corrective actions
- Inform Coloplast of changes to product or process in due time
- Facilitate the timely delivery of products meeting the agreed requirements.

They must also ensure the cleanliness of the products and of the production areas and warehouses. They must have adequate maintenance and cleaning procedures to prevent contamination of products.

## **Raising concerns**

Coloplast suppliers who believe that a Coloplast employee, or anyone acting on behalf of Coloplast, is acting unethically, improperly or illegally should report their concerns swiftly through the Ethics Hotline available here <https://ethicshotline.coloplast.com> or as an App (either in Google Play or App Store).

In addition, Coloplast expects its Suppliers to implement safe internal reporting channels so that any concerns such as legal or ethical issues, can be brought up and investigated in a diligent manner while providing required whistleblower protection. Suppliers shall also take action to prevent, detect, and correct any retaliatory practices.

## **Consequences of non-compliance**

The underlying objective of this Code is to establish a basis for positive development of responsible procurement practices through regular dialogues and ongoing working relationships. Failure to observe the Code will be reported to the supplier's management for their attention and, if necessary, for corrective action. However, non-compliance may be considered a material breach of the agreement with the supplier and may lead to termination of the agreement with the supplier with immediate effect or other actions including damages, in relation to which Coloplast reserves all rights.



# Report a concern

Reach out to your contact person at Coloplast or Coloplast Business Ethics & Compliance [businessethics@coloplast.com](mailto:businessethics@coloplast.com) or file a report through the Coloplast Ethics Hotline

The online platform is available here: <https://ethicshotline.coloplast.com/>  
The app may be downloaded from App Store and Google Play  
– just search for ‘Coloplast Ethics Hotline’