



Author: Mona Sahlberg  
Approved by: Carl-Johan Zetterberg  
Boudrie  
Date for approval: 2021-10-08  
Document name: ESG Policy for Careium  
Suppliers

# ESG Policy for Careium Suppliers

Environmental, Social, and Governance criteria valid for contracted Suppliers to Careium group companies.

**Version 1**

**2021-10-08**

**Prepared by: Mona Sahlberg**

**Reviewed by: Paula Eninge, Ulrik Nilsson**

**Approved by: Carl-Johan Zetterberg Boudrie**

Careium as an international business wishes to set and encourage high standards of responsibility for Environmental, Social, and Governance, within its own operations and those of its supply chain.

The Careium Group hereby declares its Policy of observing the provisions of The Universal Declaration of Human Rights<sup>1</sup> and the International Labour Organisation (“ILO”)<sup>2</sup>, and in particular of the conventions aimed at eliminating child labour and abolishing slavery and forced or compulsory labour.

## A. Policy principles

Careium requires of its supply chain to commit themselves to the following fundamental principles:

### **1. Potential Conflict with local law:**

Careium requires, in respect of any topic covered by this Policy, that compliance with all applicable laws is mandatory. Where this Policy provides greater protection than as stipulated by laws and regulations, official decree or convention law, this Policy shall prevail except in the event that implementation of the Policy constitutes a breach of mandatory applicable laws.

### **2. Employment:**

Careium requires that all the Suppliers’ employees, temporary or permanent, are covered and benefitted by all parts of this Policy.

Each employer shall follow applicable laws and regulations regarding employment agreement, working hours, wages, overtime compensation, notice period, social insurance, frequency of salary payment and other incentives.

The Supplier shall ensure that employment terms are fair and reasonable and that workers, have their employment agreement in writing (in a language understood by the respective worker).

### **3. Child Labour**

Careium Suppliers shall prohibit and eliminate labour by children, regardless of employment form (employed/sub-contractors/through education system/staffing agencies/etc.), aged less than fifteen years, or the lawful age for working in the country in question, and should be consistent with the ILO Minimum Age Convention (No. 138)<sup>3</sup>, ILO Worst Forms of Child Labour Convention, 1999 (No. 182)<sup>4</sup> and other ILO standards, as well as Article 32 in The United Nations Convention on the rights of the child<sup>5</sup>

Juvenile workers shall be protected from working in dangerous or unsafe environment which may include but not be limited to for example working during the night, operating machinery or working with potentially hazardous materials and chemicals.

---

<sup>1</sup> <https://www.un.org/en/universal-declaration-human-rights/>

<sup>2</sup> <https://www.ilo.org/global/standards/lang--en/index.htm>

<sup>3</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C138](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C138)

<sup>4</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100\\_INSTRUMENT\\_ID:312327:NO](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312327:NO)

<sup>5</sup> [https://www.unicef.org.uk/wp-content/uploads/2010/05/UNCRC\\_united\\_nations\\_convention\\_on\\_the\\_rights\\_of\\_the\\_child.pdf](https://www.unicef.org.uk/wp-content/uploads/2010/05/UNCRC_united_nations_convention_on_the_rights_of_the_child.pdf)

## 4. Forced Labour

Careium Suppliers shall not use forced or involuntary labour.

Forced labour is understood as all work or services that a person is compelled to carry out under any threat of punishment or confiscation of any personal belongings, such as ID card, passport etc., and for which work the said person has not offered him/herself voluntarily.

The Supplier shall not restrict workers in their movement or access to basic liberties during working hours and workers shall be free to resign upon giving reasonable or contracted notice in advance.

Employment practices shall be consistent with the ILO standards including Forced Labour Convention, 1930 (No. 29)<sup>6</sup> and Abolition of Forced Labour Convention, 1957 (No. 105)<sup>7</sup>.

## 5. Health & Safety

The Supplier shall

- Prohibit all types of labour which, by its nature or the conditions under which it is carried out, might compromise health, safety or morality
- Comply with all relevant international, national and local regulations
- Provide training, instruction and supervision to enable staff and workers to work safely and efficiently including but not limited to fire safety, correct handling of chemicals and machinery, emergency preparedness and first aid
- Take precautions to prevent accidents and incidents
- Provide suitable and adequate welfare facilities or arrangements for the staff and workers. Workplace hygiene and living facilities (if provided by the Supplier), must be consistent with national regulations.
- Have programmes in place for improving health and safety performance
- Demonstrate a commitment to continuous improvement

The Supplier shall ensure that emergency response plans on fire safety are prepared, that firefighting equipment is available and maintained, and also ensure safe evacuation of the facilities.

## 6. Compensation & Working Hours

Wages paid (per work period) shall meet or exceed national (or, where applicable, local) legal standards. Wages shall not be paid in kind and shall be enough to meet basic needs. Wages practices shall be consistent with ILO Equal Remuneration Convention, 1951 (No. 100)<sup>8</sup>

Deductions from wages, fines, or financial penalties by any other name as a disciplinary measure are not permitted even in the event that law provides for them. Deductions from wages not provided for by national law should only be permitted with the expressed permission (without duress) of the worker concerned. All disciplinary measures should be documented.

---

<sup>6</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C029](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C029)

<sup>7</sup> [https://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100\\_ILO\\_CODE:C105](https://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100_ILO_CODE:C105)

<sup>8</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100\\_INSTRUMENT\\_ID:312245:NO](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312245:NO)

Standard contracted working hours shall comply with national laws.

Overtime requested by the employer shall be voluntary, shall not be requested on a regular basis and shall always be compensated at a premium rate. A record of actual overtime hours worked by each employee shall be maintained.

The Supplier shall document paid salaries and worked hours in a transparent system covering all workers. Documents confirming payment of workers shall be available.

## 7. Freedom of Association

The Supplier shall respect directly applicable law concerning representation and expression of employees.

Employment practices should be consistent with the ILO Standards including Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)<sup>9</sup> and Right to Organise and Collective Bargaining Convention, 1949 (No. 98)<sup>10</sup>.

## 8. Environment

The Supplier shall respect all directly applicable environmental regulations and have in place an environmental management policy and supporting processes to manage the impact of business operations on the environment.

All applicable environmental regulations must be complied with. Local legislation regarding waste management, handling and disposal of chemicals and other hazardous substances, emissions and wastewater treatment must be observed.

Careium shall at its sole discretion be entitled to review and audit environment documentation and processes, and also the outcome of any audits done by the Supplier.

Suppliers supplying products and materials for resale by Careium are expected to have an environmental management system certified according to ISO 14001, or actively work towards such certification.

Certification according to ISO 14001 is mandatory for Suppliers directly supplying services for take-back, recycling and waste management.

## 9. Discrimination

The Supplier shall prohibit discrimination, and in particular racial, ethnic or sexual discrimination.

Discrimination practices should be consistent with ILO Discrimination (Employment and Occupation) Convention, 1958 (No. 111)<sup>11</sup>

---

<sup>9</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C087](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C087)

<sup>10</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C098](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C098)

<sup>11</sup> [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C111](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C111)

## 10. Harassment or Abuse

Careium does not tolerate any form of harassment or violence in the Suppliers' workplaces. The Supplier shall prohibit all practices of sexual or psychological harassment.

## 11. Disciplinary measures

Supplier disciplinary measures regarding employees must comply with national legislation.

## 12. Bribery & Corruption

Careium Suppliers shall prohibit all practices of bribery or corruption including but not limited to extortion, bribery, facilitation payments, nepotism, fraud, and money laundering.

An anti-corruption compliance program aligned with United Nations Convention against Corruption<sup>12</sup> shall be in place.

## 13. Conflict minerals (*Valid only for Suppliers supplying products and materials for resale by Careium*)

Suppliers that deliver products containing tin, tungsten, tantalite and/or gold to Careium are obligated to:

- Have a policy and due diligence frameworks in place, consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- Take necessary steps in its supply chain to identify components, materials and/or Products that may contain conflict minerals, meaning minerals that may directly or indirectly contribute to the financing of armed conflict, serious human rights violations, and serious environmental damage
- Promote responsible sourcing practices in its own mineral supply chain with the aim of sourcing conflict-free minerals

## 14. Control of Supply chain (*Valid only for Suppliers supplying products and materials for resale by Careium*)

The Supplier shall communicate the requirements in this Policy to all sub-Suppliers and make necessary investigations to ensure that those sub-Suppliers also meet the requirements in this Policy.

---

<sup>12</sup> [https://www.unodc.org/unodc/en/corruption/tools\\_and\\_publications/UN-convention-against-corruption.html](https://www.unodc.org/unodc/en/corruption/tools_and_publications/UN-convention-against-corruption.html)

## B. Compliance with the Policy

### **1. Audits and Access**

A new Supplier needs to provide access to Careium before signing contracts in order to create the right conditions for Careium to be able to agree on supply.

During performance of the contract, Careium representatives or an external independent representative mandated by Careium will be entitled, without prior notification, to verify the compliance of the Supplier with the requirements contained in this Policy. The Supplier will be required to facilitate access to all administrative documents and all persons as well as to working premises and on-site housing.

### **2. Implementation**

Careium recognizes that not all Policy's principles may be in place at the signature of the Policy. However, the Parties signing the Policy should

- Take all appropriate steps to communicate the Policy principles to their employees
- Take all appropriate steps to effectively apply the principles of the Policy to their own Suppliers
- Faithfully inform Careium of any difficulty encountered in applying the Policy; Take steps to encourage employees to maintain or improve compliance with the Policy and to report incidences of non-compliance either to Careium management directly or to suitable management representatives of Supplier companies
- Take all necessary actions to Audit own Suppliers' compliance with the Policy
- Take all necessary actions to secure that own Suppliers incorporate the requirements specified in the Policy to their own policies and that the Suppliers audit the vendors.

Procurement must be in line with the Careium Policy.

### **3. Breach**

In the event of a material breach of this Policy, Careium shall, upon verifying the facts, request that the Supplier or other business partner improve the situation and will follow up the result. If no improvement has been made after a specified period, Careium will take measures which may result in termination of the contractual relations.

## C. References to other documents and contact details

Careium Business Ethics, Modern slavery act statement, and other relevant policies and documents are published on the Careium web site

For anonymous contact and confidential information of found or suspected non-compliances please use the Whistleblower function to report violations, (found in the Careium web site).



Author: Mona Sahlberg

Approved by: Carl-Johan Zetterberg  
Boudrie

Date for approval: 2021-10-08

Document name: ESG Policy for Careium  
Suppliers