



# **Supplier Code of Conduct Policy of Sphera Franchise Group SA and its Subsidiaries**



The Supplier will comply with the following and will ensure that all subcontractors, suppliers and their units also comply with the below:

### **1. Child labor:**

The Supplier will not employ child labor. The word „child“ is defined as a person under the age of fifteen (15) years (or fourteen (14) years), if permitted by the local law) or, if older, below the minimum age required by law, locally, for employment or under the age of completion of compulsory education. Regardless of age, the Supplier will treat all employees in accordance with all applicable laws and regulations.

### **2. Coercion and harassment:**

All employees will be treated with dignity and respect. Actions such as corporal punishment, threats of violence and / or other forms of physical, sexual, psychological or verbal abuse and / or harassment will never be allowed or tolerated.

### **3. Nondiscrimination:**

The Supplier shall not discriminate in respect of employment and work practices, including salary, benefits, advancement, discipline, termination of contract or retirement, on grounds of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political opinion or disability.

### **4. Health and safety:**

The Supplier will provide employees with a safe and healthy job (and employee housing, if applicable), in accordance with all applicable laws and regulations. The Supplier shall also ensure at least reasonable access to safe drinking water, sanitary facilities, adequate ventilation, adequate lighting and fire protection.

### **5. Involuntary work:**

The Supplier will not make use of any forced or involuntary labor, whether in prison, forced labor, apprenticeship or otherwise.



## **6. Association:**

The Supplier will respect the rights of employees to associate and organize and to negotiate collectively in a legal and peaceful manner, without penalties or interference.

## **7. Environment protection:**

The Supplier will comply with all applicable environmental laws and regulations.

## **8. Remuneration:**

The Supplier will comply with all applicable laws and regulations regarding remuneration and schedule, including those relating to minimum wage, overtime, maximum schedule, full time pay and other elements of remuneration and will provide legally established benefits. Aside from exceptional circumstances during the activity, the Supplier shall not require employees to work more than: (i) forty-eight (48) hours per week and twelve (12) overtime hours or (ii) over program limits and usual overtime required by local law, whichever of these values is lower. Apart from exceptional circumstances in the business, where local law does not limit the working hours, the normal working week plus twelve (12) overtime hours. In addition, apart from the exceptional circumstances in the business, employees shall be entitled to at least one day off in each seven-day period. The Supplier will pay the employees for overtime at the premium rate imposed by law or, if the law does not provide one, the remuneration will be equal to the normal hourly rate as a minimum amount. If the local industry standards are stricter than the applicable legal requirements, the Supplier will have to comply with the stricter standards.

## **9. Other laws:**

The Supplier will comply with all applicable laws and regulations, including those relating to the manufacture, pricing, sale and distribution of the goods. All references to "applicable laws and regulations" herein include local and national codes, rules and regulations, as well as applicable treaties and voluntary industry standards.

## **10. Monitoring and compliance:**

The Supplier acknowledges and agrees that YRI and / or its agents have the right to engage in monitoring activities to confirm compliance with this Agreement.



Monitoring activities may include, without limitation, unannounced on-site inspections, at the manufacturing units (including those of subcontractors) and housing provided by the employer, review of employment registers and records, and private interviews with the Supplier's employees. The Supplier must keep and agrees to keep on site all the documentation that may be necessary to demonstrate compliance with these policies.

### **11. Subcontractors:**

If the Supplier wishes to use subcontractors for the manufacture, processing or development of YRI Products, it will obtain the approval of the YRI prior to the use of those subcontractors.

### **12. Publication:**

The Supplier shall take appropriate measures to ensure that the provisions of this Code of Conduct are communicated to employees, always including the visible display of a copy of these provisions in the local language and in a place easily accessible to employees.

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