

## **Code of conduct**

### **1. Prohibition of child labour**

Värnamo Automatsvarvning AB and its suppliers are not allowed to employ anyone under the age of 15. In countries where economic standards and schools are less developed, the minimum age is 14 years and for light work is 13 years. Dangerous work may only be carried out by persons over the age of 18 years.

### **2. Prohibition of forced labour**

All forced labour is prohibited. Värnamo Automatsvarvning AB and its suppliers may not require employees to hand over personal documents such as ID cards, passports or work permits, as a condition of employment.

### **3. Prohibition of discrimination**

Gender equality shall apply to employment, traineeships, and allowances/substitutes. Värnamo Automatsvarvning AB and its suppliers shall not discriminate against anyone based on gender, age, ethnic origin, nationality, religion, sexual orientation, union affiliation or any type of disability.

### **4. Prohibition of disciplinary action**

Värnamo Automatsvarvning AB and its suppliers may not engage in spanking, physical violence, or coercion of any kind against their employees. This is particularly true in cases where employees report in good faith events that violate national, international, or internal regulations.

### **5. Socially responsible working conditions**

### **6. Safe and healthy workplaces**

Occupational safety and health should be offered as a minimum within the scope of national rules. Värnamo Automatsvarvning AB and its suppliers must put in place health and safety regulations and procedures and inform employees about these, to reduce or prevent accidents and occupational diseases.

## **7. Wages**

Värnamo Automatsvarvning AB and its suppliers shall compensate their employees adequately and in accordance with legally or contractually determined minimum wages or in line with industry standards. Värnamo Automatsvarvning AB and its suppliers must also provide the social benefits to which the employee is entitled by law. Compensation shall be provided with transparency, at regular intervals and in legal tender. Illegal and unlawful deductions of wages and deductions in the form of disciplinary measures are not permitted.

## **8. Regulated working hours.**

Värnamo Automatsvarvning AB and its suppliers guarantee that employees do not work more than the maximum number of hours legally agreed or collectively agreed in each country or dictated by industry standards. The maximum required working time does not exceed 60 hours per week (including overtime). Overtime shall be voluntary and compensated by Värnamo Automatsvarvning AB and its suppliers according to applicable law. Employees shall be granted at least one day off after six working days. Employees are also entitled to an annual leave.

## **9. Freedom of association and collective bargaining**

Employees have the right to negotiate collectively and to organize themselves in trade unions. If a trade union is not allowed in one country for political reasons, Värnamo Automatsvarvning AB and its suppliers must facilitate independent alliances in other forms. Värnamo Automatsvarvning AB and its suppliers must not discriminate against employee representatives because of their function or union-organized workers because of their membership.

## **10. Ethical Standards Policy**

Varnamo Automatsvarvning AB is committed to ensuring the highest standards within the supply chain, including clients, workers, contractors, and suppliers and to continuously work to further improve. We will only work with reputable suppliers and manufacturers who are committed to working towards compliance with the conditions set out in this code. A process of self-evaluation, independent audit and training is in place to ensure that continuous improvement is made.

### **1. Employment is freely chosen**

- There is no forced, bonded or involuntary prison labour.
- Workers are not required to lodge "deposits" or their identity papers and are free to leave in accordance with the terms set out in their contract.

### **2. Freedom of Association and The Right to Collective Bargaining Are Respected**

- Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- Varnamo Automatsvarvning AB has an open attitude towards the activities of trade unions.

- Worker's representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, we will facilitate, and not hinder, the development of parallel means for independent and free association and bargaining.

### 3. Working Conditions Are Safe and Hygienic

- A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps will be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training, and such training will be repeated for new or reassigned workers.
- Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- A senior manager will be responsible for health and safety.

### 4. Child Labour

- There will be no new recruitment of child labour.
- Where child labour is found, Varnamo Automatsvarvning AB will participate in and contribute to policies and programs which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; "child" and "child labour" being defined below.
- Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- The policies and procedures relating to the employment of children shall conform to the provisions of the relevant ILO standards.

### 5. Living Wages Are Paid

- Wages and benefits paid for a standard working week meet, at a minimum, national legal standard.
- All workers are provided with written and understandable information about their employment conditions in respect of wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Deductions from wages as a disciplinary measure will not be permitted nor will any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned.

### 6. Working Hours Are Not Excessive

- Working hours comply with national laws and benchmark industry standards, which ever affords greater protection.
- In any event, workers will not, on a regular basis, be required to work more than 48 hours per week and will have at least one day off for every 7-day period on average. Overtime is voluntary and additional payment will be made.

#### 7. No Discrimination is Practised

- There is no discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

#### 8. Regular Employment

- To every extent possible work performed must be on the basis of recognized employment relationship established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

#### 9. No Harsh or Inhumane Treatment is Allowed

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is prohibited.

#### 10. Environmental Impact is Managed

- Varnamo Automatsvarvning AB will seek to reduce the environmental impact of their business activities. In addition to complying with local laws, steps will be taken to optimize the use of energy and natural resources and reduce the generation of waste. This policy will be reviewed on an annual basis and its implementation is the responsibility of the Business Manager.

#### Definitions

- Child - Any person less than 16 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply.
- Young person - Any worker over the age of a child as defined above and under the age of 18.
- Child Labour - Any work by a child or young person younger than the age(s) specified in the above definitions which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's education, or to be harmful to the child's or young

person's health or physical, mental, spiritual, moral or social development. The provisions of this code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying this code are expected to comply with national and other applicable law.

## **11. Embracing Inclusion, Equity and Diversity**

Varnamo Automatsvarvning AB strive to attract, develop, and retain a workforce that is as diverse as the markets we serve. We recognize that our differences are our strengths and aim to define diversity in the broadest sense, including such aspects as age, race, ethnicity, gender, sexual orientation, cultural identity, disability, and overall life experiences. It also includes – very importantly – diversity of thought. Regarding inclusion, we refer to a culture where all unique voices have a seat at the table and are heard. The full potential of diversity can only be unlocked if these unique voices and differing points of view are an equal part of any discussion. Lastly, diversity and inclusion are imperative for our success as it leads to better ideas, innovation, and decision making, as well as a better workplace.

## **12. Women's rights**

Varnamo Automatsvarvning AB will respect the principle that women are entitled to political, economic, and social equality.

## **13. Rights of minorities and indigenous peoples.**

Varnamo Automatsvarvning AB will show respect for the rights of local communities to decent living conditions, education, employment, social activities, and the right to Free, Prior, and informed Consent (FPIC) to developments that affect them and the lands on which they live, with consideration for the presence of vulnerable groups.

## **14. Environmental, Health & Safety**

Varnamo Automatsvarvning AB is committed to complying with all applicable environmental, health and safety legal requirements and protecting the environment. Suppliers are expected to comply with all applicable environmental, health and safety legal requirements and prevent incidents or conditions that might result in a violation of law or otherwise endanger the environment. Suppliers must provide each employee with a safe and healthful work environment. Each supplier has responsibility for maintaining a safe and healthy workplace for all employees by following health and safety rules and practices and reporting accidents, injuries and unsafe equipment, practices, or conditions as stated in the Environmental, Health and Safety Policy.

## **15. Environmental Sustainability**

Varnamo Automatsvarvning AB adopts the definition for Sustainability as "meeting the needs of the present without compromising the ability of future generations to meet their own needs." For Varnamo Automatsvarvning AB, this means being aware of our impacts and understanding

how these affect the world around us. Our mission is to reduce these impacts while increasing the profitability and longevity of our company. Varnamo Automatsvarvning AB expects its suppliers to support Varnamo Automatsvarvning AB 's sustainability mission by complying with all applicable environmental laws, rules and regulations while using resources wisely. Suppliers are expected to share Varnamo Automatsvarvning AB 's commitments by developing and implementing a sustainability program focused on using natural resources responsibly, reducing water usage, reducing waste generation, preventing air pollution, improving energy efficiency, and reducing the carbon footprint of their operations. Varnamo Automatsvarvning AB expects its suppliers to implement a responsible chemical management in regards of purchasing, usage and handling.

## **16. Land, forest and water rights and forced eviction**

Varnamo Automatsvarvning AB commit to the avoidance of forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests, and waters.

## **17. Use of Private or Public Security Forces Policy.**

Varnamo Automatsvarvning AB shall not commission or use private or public security forces to protect the business project if, due to lack of training or control on the part of the company, the deployment of the security forces may lead to violations of human rights.

[Source: Global Automotive Sustainability Guiding Principles.](#)



<https://vmoaut.se/kvalitet-miljo/>