

## DE SMIT MEDICAL SYSTEMS LIMITED

### LABOUR STANDARDS ASSURANCE SYSTEM POLICY

De Smit Medical Systems Ltd distributes a range of medical devices throughout the UK and Ireland. These products include:-

Catheter valves, catheter bag hangers, enuresis alarms, uroflowmetry equipment.

Resulting from its business operations, the Company acknowledges its obligations towards its customers, employees and the communities in which it works, and has decided to document its policy in relation to labour standards and for this document to be approved by senior management, specifically by the Managing Director.

De Smit Medical's Management define this policy as relevant to the organisation itself, its suppliers and other parties engaged through the supply chain.

#### **Scope of Policy**

In the first instance, de Smit Medical Systems Ltd is applying this policy to the products it anticipates supplying into the NHS via the following Framework Agreement:-  
Surgical Instruments (OJEU Reference 2015/S 144-265680)  
Reference No: FAG000016140

Specifically, these products are:-

***Catheter valves, catheter bag hangers, enuresis alarms, uroflowmetry equipment.***

#### **Nature and Scale**

The Company seeks to implement a policy which is appropriate in nature and scale to the Company and in line with its status, as defined by EU law, as an SME.

#### **Continual Improvement**

The Company commits to annually review this policy in order to continually improve, taking into consideration changes in legislation, and any other requirements to which the Company subscribes, and in order to ensure the adequacy, suitability and continuing effectiveness of the policy.

Specifically, the policy will be routinely reviewed at the Company's Management Review Meetings and will be integrated into its QMS.

### **Minimum Labour Standards**

The Company has identified the following compelling reasons to establish a comprehensive system of Minimum Labour Standards to guide it in its business operations.

1. ETHICAL RESPONSIBILITIES - the Company acknowledges its obligations towards its customers, employees and the communities in which it works arising from its business operations and wishes to work and trade in an ethical fashion.
2. THREAT TO SECURITY OF SUPPLY – the Company has identified that labour standards abuse in supply chains can pose a risk to the security of supply. Any supply chain partners perpetrating abuses face legal enforcement action which may damage business and interfere with their ability to continue to supply.
3. ADVERSE PUBLICITY AND DAMAGE TO THE COMPANY’S REPUTATION – adverse publicity from the discovery of labour standards abuses in the Company’s supply chain presents reputational and structural risks as follows – (a) income – customers may choose to purchase supplies and services from other providers (b) staff recruitment and retention – staff may choose not to work for a Company associated with any labour standards abuses and this may lead to poor morale in the work place and difficulty in recruitment (c) loss of trust – both with customers and suppliers and also within the wider community.
4. REDUCED QUALITY OF GOODS AND SERVICES – the Company recognises that there is commonly a link between poor labour standards and poor quality of goods and services. To this end, it is in the interest of the Company to ensure its suppliers reach minimum labour standards targets at all times.

To help it identify a defined set of minimum labour standards, the Company has particularly referred to the following resources:-

Social Accountability International’s SA8000 document and the UN’s Universal Declaration of Human Rights

These minimum labour standards are:-

1. Child Labour – the Company does not engage in or support the use of child labour. If the company engages any young workers (eg: on work experience), it will ensure that a suitable risk assessment is carried out and that young persons are not exposed to any hazardous conditions, or in any case work more than 8 hours per day.
2. Forced & Compulsory Labour – the Company shall not engage in or support the use of forced or compulsory labour, or bonded or involuntary prison labour. Employees are free to leave upon reasonable notice.
3. Health & Safety – the Company shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential accidents and injury to employees' health by minimizing, so far as is reasonably practicable, and in co-operation with its employees, the causes of hazards inherent in the workplace. All employees will receive safety and job specific instructions during the course of their employment with the company. Employees shall have access to clean sanitary facilities and drinking water. Responsibility for implementing the Health & Safety element of this policy is assigned to the Commercial Director.
4. Freedom of Association – the freedom of association is respected and the Company will comply with UK labour relations legislation in this regard.
5. Discrimination – the Company shall not engage in or support any discriminatory practices in hiring, remuneration, access to training, promotion, termination or retirement based on race, national or social origin, caste, religion, gender, sexual orientation, political affiliations, age or other conditions that could give rise to discrimination. The Company has an Equal Opportunities and Diversity Policy which is shown to all new employees at induction.
6. Disciplinary Practices – the Company shall treat all employees with dignity and respect. The Company shall not engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel. No harsh or inhumane treatment is allowed.
7. Working Hours – the Company shall comply with applicable laws and industry standards on working hours and holiday entitlements. The Company's normal working hours do not exceed 48 hours per week, and overtime hours do not exceed 12 hours per week. The Company ensures all employees have the legal right to be employed in the UK.
8. Remuneration - the Company shall comply with national laws and regulations with regard to wages and benefits. All work related activities are carried out on the basis of a recognised employment relationship established according to national law and practice.

The Company also commits to:-

- Compliance with relevant legal and other requirements to which it subscribes
- Ensure that all its key contractors, sub-contractors and suppliers are aware of this policy
- Make available sufficient resources for the implementation of this policy.

***The Company will make this policy publicly available (specifically via its website – [www.desmitmedical.com/downloads/](http://www.desmitmedical.com/downloads/)), and the policy will also be communicated to employees in the first instance, and also to all contractors, sub-contractors and suppliers.***

Lyn de Smit  
Managing Director,  
Quality Control  
Manager, LSAS

12 June 2016  
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