

ETHICAL CONDUCT POLICY (ECP)

It is the policy of VitalCare Trading (UK) Limited and its Subsidiary VitalCare (Nanjing) Limited that its top management and employees uphold the highest standards of ethical & professional behaviour.

To that end, every employee of VitalCare shall dedicate themselves to abiding by the principles of the organisation, and these can be summarised as follows:

- 1) Hold paramount the safety, health and welfare of the workforce in the performance of professional duties.
- 2) Act in such a manner as to uphold and enhance personal and professional honour, integrity and the dignity of the organisation.
- 3) Treat with respect and consideration all persons, regardless of race, religion, gender, sexual orientation, maternity, marital or family status, disability, age or national origin.
- 4) Engage and collaborate in carrying out VitalCare's Ethical Conduct Policy in a professional manner.
- 5) Build professional reputations and refrain from competing or acting unfairly with others.
- 6) Recognise that the chief function of VitalCare at all times is to serve the best interests of its customers and employees, within the guidelines of this policy.
- 7) Respect the structure and responsibilities of the management team, provide them with facts and advice as a basis to make strategic decisions.
- 8) To uphold and implement decisions and strategy adopted by top management.
- 9) Keep fellow employees informed about issues that affect them.
- 10) Conduct duties with positive leadership exemplified by open communication, creativity, dedication, and compassion. Act with respect, courtesy, and efficiency.
- 11) Demonstrate the highest standards of personal integrity, truthfulness, honesty, and fortitude in all activities in order to inspire confidence and trust from customers, colleagues and suppliers.
- 12) Avoid any interest or activity that is in conflict with the conduct of their employment duties.
- 13) Respect and protect privileged information to which they have access in the course of their employment duties.
- 14) Strive for personal and professional excellence and encourage the professional developments of others.

VitalCare's activities shall be performed with integrity and in a manner able to withstand the closest possible scrutiny

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is about taking positive action to demonstrate VitalCare's commitment to its workforce, Customers, local community and environment on which it impacts. This means VitalCare should maximise the benefits of the actions and decisions they take across all of those affected by them. But also to minimise the negative aspects of their activities.

VitalCare integrates CSR into its organisational policies and practices through the way in which it engages with its employees, customers and suppliers, via such activities as human resources, procurement, sustainability and diversity.

Ethical, Social Procurement

Ethical, Social Procurement generates positive outcomes for VitalCare's Customer base by introducing initiatives such as enhancing sustainable and strategic procurement practices.

VitalCare enables its ethical, social procurement strategy and policies to effectively contribute towards building stronger relationships with Suppliers and therefore meeting the objectives of the Customers. This positively reinforces the Quality Management System (QMS) and facilitates a framework of continuous improvement.

VitalCare is committed to Ethical, Social Procurement by:

- Ensuring all procurement practices are sustainable and strategically aligned with the wider Company's objectives
- Achieving greater value for money across the company through the use of effective procurement
- Enhancing partnerships with key & critical suppliers
- Building and maintaining a strong community by exploring ways to source locally and further strengthening the local economy
- Purchasing ethical and fair trade goods where possible, to support equitable, local, national and international trade.
- Using only non-polluting, non-toxic raw materials, or having a fixed timeline to switch to such alternatives.

Sustainability

VitalCare is committed to achieving sustainability and ensuring it monitors and reports on activities and projects that have an impact on or contribute to the environment, including but not limited to the following:

- waste management;
- recycling;
- energy management;
- emission management;
- water conservation;
- procurement.

Sustainability of Manufacturing & Product Realisation

VitalCare recognises it has a role in furthering sustainable development in the local community, through its operations and procurement of goods and services.

In addition, VitalCare recognises the potential impact that manufacturers have on the environment and where applicable will integrate sustainability, environmental and social issues into the production process. VitalCare aims to achieve this by:

- Taking into account the need to minimise emissions and reducing the negative impacts of transportation when selecting and procuring goods and services;
- Taking steps to minimise carbon dioxide and other greenhouse gas emissions through the detailed consideration of factory location, selection of raw materials, products and services procured;
- Considering the environmental performance of all suppliers and contractors, and encouraging them to conduct their operations in an environmentally sensitive manner;
- Giving a preference to 'Fairtrade', or equivalent, and ethically / locally sourced and produced goods and services;
- Working more effectively with local suppliers;
- Comply with all UK and Chinese environmental regulations and legislation as applicable, and ensuring sub-suppliers do the same;
- Training all VitalCare employees on sustainability considerations within the manufacturing, logistics and procurement processes.

Diversity

Promoting equality throughout the organisation including via procurement can improve best value, the quality of the service or product, satisfaction among VitalCare employees and community relations. It should be a consideration in every hiring decision, every procurement project and reflect corporate commitment to diversity and equal opportunities wherever possible.

Supplier Handling Conduct:

VitalCare employees at all levels shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and *will*:

- treat potential and existing suppliers with equality and fairness;
- not seek or receive personal gain through Company transactions outside of the terms of employment;
- maintain confidentiality of commercial information such as contract prices, customer orders, customer designs and other sensitive information;
- present the highest standards of professionalism and probity;
- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers with the same information and equal opportunity when gathering quotations;
- be able to account for all decisions and provide feedback on them to Top Management.

Conflicts of Interest

VitalCare top management and employees alike shall at all times avoid situations in which private interests conflict, or might reasonably be thought to conflict, or have the potential to conflict, with their employment duties.

VitalCare employees must:

- **Avoid** conflicts, whether actual, potential or perceived, arising between their employment duties and their private interests. Private interests include the financial and other interests of staff, plus their relatives and close associates.
- **Declare** that there is no conflict of interest. Where future conflicts, or relevant private interests arise, employees of VitalCare must make their manager aware and allow them to decide whether they or a colleague should continue to be involved in the specified project.

Fair and Honest Dealing

The commercial interests of future and existing customers and suppliers must be protected at all times.

Confidentiality of information provided by existing and prospective customers and suppliers must be maintained at all times. Particularly commercially sensitive material such as, but not limited to prices, ordering quantities and patterns, profit margins, manufacturing and product design information.

Gifts and Hospitality

No VitalCare employee shall, either directly or indirectly solicit or accept gifts from any potential or existing supplier or customer without first checking with, and subsequently declaring to top management. VitalCare employees must exercise the utmost discretion in accepting hospitality from

suppliers or their representatives, or from organisations, firms or individuals with whom VitalCare has dealings.

Offers of bribes, commissions or other irregular approaches from organisations or individuals (no matter how presented), should be promptly brought to the attention of the Managing Director.

Disclosure of Information

Commercial in-confidence information received by VitalCare must not be disclosed and is to be stored in a secure location according to the relevant written procedure within the QMS.

VitalCare and their employees are to protect the owner of such sensitive information, by refusing to release or discuss with outside parties the following:

- where purchase orders have or will be allocated;
- information disclosed by organisations in tenders, quotation or during tender negotiations;
- all information that is Commercial in Confidence information; and
- pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.

Discussion with customers and suppliers should not go beyond the extent necessary to resolve doubt on what is being offered or requested.

Structure

VitalCare has integrated into its existing Quality Management System:

- a procurement management responsibility structure ensuring accountability, traceability and auditability of all procurement decisions made over the lifecycle of all raw materials, finished goods, services and works purchased by the Company;
- that the Company's procurement structure:
 - is flexible enough to purchase in a timely manner the diverse range of raw materials, goods, works and services required;
 - will ensure that prospective suppliers are afforded an equal opportunity to tender/quote;
 - systems' encourage competition, consistency of quality, and cooperation from the supplier base.

Operational and Employer Standards

VitalCare's activities in the UK and China shall be carried out to the highest professional standards required by best practice and in compliance with:

- The latest published versions ISO ISO 13485
- The prevailing applicable local Government legislation
- The Official Code of Conduct within the Administration Centre (Essex) and Gaochun Economic Development Zone (Jiangsu)

- UK Bribery ACT 2010 and the Foreign Corrupt Practices Act (FCPA)
- Labour Law of the People’s Republic of China, Articles 1-107, 1995
- Employment Contract Regulations of Nanjing, Jiangsu
- 1948 UN Declaration of Human Rights
- ILO Declaration of Fundamental Principles and Rights at Work
- **Other local and national government legislative requirements, laws and regulations**

Demonstrate Sustained Value

VitalCare funds must be used efficiently and effectively to sustain the operation of the Company. Every attempt must be made to obtain and provide Best Value, to contain the costs of the procurement process without compromising any of the principles set out in this policy.

- **GIVE and ACHIEVE best value in all areas**

The benefits are weighted against the costs.

Best value requires VitalCare to balance quality and price with as much transparency as is reasonably achievable.

Achieving best value also requires the organisation to be Lean, collaborating internally and externally and *challenging* the need for wasteful product features, services, function or a particular procurement.

Achieving best value for the Customer must be a strong basis for decisions across the organisation.

Open and Fair Cooperation

All stakeholders are treated fairly in an open and transparent manner and have access to the critical information that affects them.

VitalCare’s overriding objective is to satisfy the needs of its customers with a focus on sustainability, protection of the environment and, corporate social responsibility, whilst meeting the needs and rights of the employee workforce.

VitalCare commits to providing a workplace where every worker:

- feels safe;
- has a voice;
- can work in a clean and pleasant environment;
- enjoy a hot, nutritious meal every day.

Signed:



For: VitalCare Trading (UK) Ltd & VitalCare (Nanjing) Ltd

Name: MD, Lewis N. Calcutt

Date: 15/09/2017

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