

Corporate Social Responsibility Policy

All suppliers to GSPK Circuits Limited agree a contractual code of conduct. The suppliers thereby promise to adhere to the ethical guidelines stipulated by GSPK Circuits.

Suppliers to GSPK Circuits are not allowed to employ forced or child labour. They must comply with local, regional and national legislation concerning working hours, wages and the environment. They must ensure that employees are not exposed to working conditions deemed harmful to their health or otherwise hazardous. Suppliers may not discriminate towards their employees nor prevent them from unionising.

The rules of GSPK Circuits' Code of Conduct follow parts of the United Nations' Human Rights Declaration, basic elements in the work convention prepared by the ILO (International Labour Organisation) and the UN declaration on sustainable development and a number of principles adopted by the UN, in order to promote the social responsibility of private corporations in the growing global economy.

It is very difficult to guarantee complete supervision of all suppliers, however, we are constantly working at expanding and improving our CSR efforts.

GSPK Circuits Code of Conduct April 2013

Our business and values

GSPK Circuits is highly committed to conduct our business in a decent and ethical manner. This is our moral and ethical obligation and it is a core part of our values. For GSPK Circuits, Corporate Social Responsibility (CSR) means to continually strive for a high performance on labour standards, health and safety and environmental protection at our own workplaces as well as among our suppliers.

We also believe that high standards on CSR are critical for a company's development into a sustainable, modern and competitive business entity. CSR is an important competition parameter for both GSPK Circuits and our suppliers. We, therefore, wish to cooperate with our suppliers through dialogue and a common interest in developing the business and mutually benefit from compliance with increasing CSR requirements.

Our approach

We expect all of our suppliers to comply with our code of conduct and respect the principles of the code, but we also acknowledge that the best way to ensure high ethical standards among our suppliers is not through control and enforcement. We, therefore, strive towards close collaboration and long term business relationships with our core suppliers, and we are willing to assist our suppliers in their efforts to improve labour, health and safety and environmental standards, and to comply with our code of conduct.

We do not wish to terminate business with suppliers that are not in compliance with our code of conduct, as long as suppliers are seriously committed to eventually complying with the standards. However, we will not conduct business with a supplier if future compliance with the standards is deemed impossible.

Our ethical principles

GSPK Circuits expects suppliers to comply as a minimum with the local law and the following standards, all based on internationally recognised minimum standards for human rights, labour and the environment, such as the Universal Declaration of Human Rights, the core labour conventions of the International Labour Organisation (ILO), and the UN Declaration on Sustainable Development.

GSPK Circuits emphasises, that the code of conduct applies to all workers employed directly and indirectly by the suppliers of GSPK Circuits, including contract workers and seasonal workers. GSPK Circuits expects its suppliers to take the necessary steps, to ensure that contract workers and seasonal workers are also subjected to the rights, terms and conditions stated in this code of conduct.

1) Forced labour

GSPK Circuits will not accept the use of forced labour, nor shall any employee be required to deposit identification papers or other personal documents with the employer. Workers shall be employed according to applicable laws and regulations and there shall be a contract (or appointment letter) written accordingly.

2) Working hours

GSPK Circuits' suppliers shall comply with applicable laws and industry standards on working hours and overtime. Employees shall have leave and time off from their job according to applicable legislation, local traditions and standards.

3) Payment

The supplier shall ensure that wages paid always meet at least legal or industry minimum standards and are paid at regular intervals. The supplier shall provide its employees with all legally mandated benefits to which they are entitled.

4) Child labour

GSPK Circuits will not accept the use or support of child labour. Children or young workers must not be exposed to situations in or outside of the workplace that are hazardous, unsafe or unhealthy.

5) Discrimination and disciplinary practices

GSPK Circuits will not accept any form of discrimination in hiring, remuneration, access to training, promotion, termination or retirement and workers shall not be subjected to behaviour, including gestures, language and physical contact, that is sexually coercive, threatening, abusive or exploitative.

6) Freedom of association and the right to collective bargaining

The supplier shall respect the right of workers to join associations of their own choice and support workers in exercising their right to collective bargaining.

7) Health and safety

The supplier shall provide a safe and healthy working environment and shall take adequate steps to prevent accidents, injury and harm to health of workers.

- 8) Environment
The supplier shall comply with all local, regional and national environmental laws and regulations, and work actively to minimize negative effects on the external environment.
- 9) Traceability and documentation at intermediaries
Intermediaries shall be able to document their CSR efforts in their own company as well as in the supply chain and they should be able to document the origin of products.
- 10) Cultural sensitivity
GSPK Circuits will respect the norms, culture and values of the countries in which we operate.

How we interpret our principles

Forced labour

Forced labour refers to all work that is not voluntary or that is demanded as repayment of debt (bonded labour). Fair and transparent employment contracts written in local language is an effective way of demonstrating that labour is not forced. All workers employed by GSPK Circuits and our suppliers must have a contract or appointment letter signed by both the employer and the worker.

Deposit of identification papers or other personal documents with the employer will restrict the workers' freedom of movement, and should not be allowed. The workers should always be allowed to freely leave the factory premises when their work shift ends.

Working hours

The normal workweek shall be as defined by national law, but shall not on a regular basis exceed 48 hours per week. Overtime work shall be as defined by national law, but shall not exceed 12 hours per week. Overtime work shall be voluntary and all workers shall have the right to minimum one day off per week. Leaves include sick/medical leave, annual/earned leave, maternity / paternity leave, national holidays, etc.

Payment

Employers shall follow the development in minimum wages, and ensure that workers are always paid as a minimum what is defined by the minimum wage. In cases where industry minimum wages are applicable, these are to be paid if higher than the legal minimum wage.

Wages shall be paid at regular intervals (at least monthly) and on time. Workers shall receive details of wages on pay-slips, including information regarding overtime hours and any deductions made.

The supplier shall maintain payroll and attendance records for all employees, including piece-rate and temporary workers. Any deductions from the wage shall be agreed between the worker and the employer, and be mentioned in the contract.

The supplier shall provide its employees with all legally mandated benefits to which they are entitled, such as medical insurance, social insurance, pensions, etc. The supplier has to continuously be updated on national regulations in this respect.

Child labour

GSPK Circuits will not accept any kind of child labour. GSPK Circuits follows the minimum age set by ILO which is 15 years. In cases where national and international law differ, the more stringent of the two shall apply. Young workers - defined as persons between the prevailing minimum age and 18 - can only work under special consideration to their health and safety and are not allowed to work over time or night work.

Discrimination and disciplinary practices

GSPK Circuits does not accept any discriminative practices whether based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age. All workers shall be employed, trained, promoted and paid solely on the basis of their job performance. The supplier shall not engage in or support the use of corporal punishment, threats of violence, mental or physical coercion, or verbal or sexual harassment. GSPK Circuits will not accept any harsh, inhumane or degrading treatment or punishment of workers.

Freedom of association and the right to collective bargaining

The supplier shall respect the right of all workers to form, join, and organise associations of their own choice and the Supplier must respect the workers right to collective bargaining. GSPK Circuits acknowledges that freedom of association also means that workers are free not to join a union if they so wish. Collective bargaining is defined as negotiations between employer and employee representatives that are freely and independently chosen by the employees. Employers shall permit non-violent efforts to organise workers and carry out collective bargaining of employment conditions. It should have no direct or indirect negative consequences for any worker to initiate and participate in any such dialogue - on the contrary, employers should support such efforts.

In countries where the right to freedom of association and collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of parallel means for independent and free association and bargaining.

Health and safety

The working environment must be safe and healthy in terms of noise, heat, illumination, ventilation and ergonomics. All workers must have access to clean restrooms and drinking water. The supplier shall ensure that worker dormitory facilities (if provided by the supplier) are clean, safe, and meet the basic needs of the workers.

The supplier should always first - if possible - eliminate risk, and second - if elimination is not possible - reduce risk, and ultimately protect workers from exposure to risks. Risk can involve - but is not limited to - exposure to hazardous substances and dangerous machines or activities. All workers shall have access to adequate personal protection equipment (gloves, masks, hearing protection, etc.) free of charge and all workers should be aware of the appropriate action in case of an accident or emergency.

Training of all workers in health and safety is a fundamental part of health and safety management and should be provided to all workers.

Environment

The supplier shall ensure safe handling, storage and disposal of raw material, chemicals, waste, wastewater and air emissions. Suppliers must obtain and maintain the necessary environmental registrations, permits and licences. Waste, noise, odour and dust emission from production shall be minimized where possible.

Traceability and documentation at intermediaries

GSPK Circuits respects our intermediaries' integrity and right to work with CSR in line with their own values and strategies. However, intermediaries must be able to document that they work with CSR and that this is carried out according to international principles – in their own companies and in their supply chain. An important part of this is the traceability of products. Knowing the conditions under which a given product is produced, requires that our intermediaries are able to trace the factories that produce the product.

Cultural sensitivity

The principles in GSPK Circuits' Code of Conduct must be respected by all suppliers, however, GSPK Circuits must also respect the norms, cultures and values in the countries in which we operate. We engage in dialogue with the management and workers at our suppliers and evaluate our practices accordingly.