

Human Rights Remedy

1. OBJECTIVE

This methodology was designed to take concerted action to address human rights issues that may occur within Colep's relations as follows:

- The causes that led to the issue are identified and analysed;
- The necessary remedies, reparation and preventive measures are taken;
- The measures are assessed.

2. SCOPE

This procedure applies to Colep companies all over the world. For companies that are owned less than 50% by Colep other procedures may apply. Business integrity situations can come from internal and/or external stakeholders.

This methodology applies to all human rights issues that may arise from Colep direct line, directly from employees and other channels, including issues that may be identified within internal or external audit processes.

A "human rights issue" refers to any situation that relates to any kind of child labour, forced labour, sexual abuse, moral or sexual harassment, disciplinary measures and coercion, discrimination or any other action that may involve the violation of any Human Right.

3. RESPONSIBILITY

The preparation and revision of this policy is the responsibility of Corporate Human Resources Director, CHRD.

4. HANDLING THE ISSUE

In Colep's Code of Conduct the company commits to respect human and social rights and defines as a standard of conduct related to child labour and forced labour:

- We do not accept child labour in our operations, therefore, we don't hire employees under the age of sixteen, in any operation or country, even if the local legislation authorises it. Exceptions may occur when we accept internships as a transitional measure for professional life or other forms of school programs.
- We do not engage or support any use of forced or involuntary labour. Physical punishment, threats,

violence, or other kind of coercion is also not permitted in any kind of situation.

Therefore when a situation occurs, corrective measures should be put in place to rectify the situation.

4.1 Forced and bonded labour, harassment and abuse

1. Analyse the person's background, his psychological and family environment;
2. Identify the causes and people who may be responsible for the situation, involving the Corporate or the Local Ethics Committee, as applicable;
3. Define the actions and rectification measures, ensuring the person's well-being, his/her integration in the company, any repercussions that may occur and also health conditions and psychological support;
4. Identify the necessary means in order to execute the measures (human, material or financial);
5. Assign responsibilities for the measures to take place and apply deadlines.

4.2 Child Labour

Whenever a child labour issue is detected, a Reparation Program should be immediately implemented, making sure that the child is protected and that the issue is reported to the authorities. The Reparation Program must be custom made, engaging all the necessary means and actions to ensure the child's safety, health, stability, education and development.

The actions should follow the following process:

1. Define the Reparation Program.
2. Analyze the situation of the child and his or her family background.
3. Define the Reparation Program, taking into account that means must be provided to enable the child to attend school until completion of compulsory schooling.
4. Identify the means necessary to implement the Reparation Program (human, material and financial).
5. Assign responsibilities for the measures and the applying deadlines.



In case it is considered that the situation affecting the child is in his best interest, it is strongly recommend the continuation of his work:

- Ensure that the number of hours spent in transportation, school and work do not exceed 10 hours / day.
- Ensure that all occupational health and safety aspects of the legislation are taken into account in their workplace and that under no circumstances should the child be subjected to conditions that imply any risk or perform work during the night.
- If the situation is related to a supplier, it should be involved in the definition of the actions identified in the Program, committing themselves to it. Colep will consider for its evaluation its performance in this situation.

5. IMPLEMENT AND CONTROL MEASURES

This step is carried out by the same people indicated above and involves:

- Implement the action, ensuring compliance with defined deadlines;
- Record all relevant documentation and information;
- Control compliance with the deadlines for implementing the proposed actions.

6. EVALUATE THE PREPARATION PROGRAM

This stage aims to evaluate the effectiveness of the actions implemented, in order to verify if:

In situations of forced labour, harassment, abuse or other:

- The situation has been eradicated;
- The measures implemented helped the victim of the situation to recover;
- The victim is working in full health and safety conditions.

In case of child labour situations, if it guarantees the child:

- The frequency / completion of compulsory minimum schooling;
- Subsistence, providing the conditions for normal physical and psychological development.