

CONDUCT MANUAL

Labtest 



Index

- 4 Letter from the President
- 5 Overview | Mission
- 6 Values are Pillars of the Company
- 8 General Principles of the Conduct Manual
- 9 Introduction
- 10 Customer Relationship
- 11 Relationship with Suppliers
- 12 Relationship with the Competitors
- 13 Relationship with the Government
- 13 Relationship with the Community, with the Society and the Environment
- 14 Relationship with Shareholders
- 15 Security in Financial and Accounting Records
- 15 Conducts Required by Employees
- 23 General Conduct and in the Workplace
- 24 Conducts not Expected in the Workplace
- 26 Final Considerations

Letter from the President

Labtest has, over the years, been providing solutions in the lab area, contributing to a safe medical activity and to improve the life quality and people's health, as well as for the in vitro diagnosis market development in Brazil.

Each box departing from Labtest has our commitment, our respect, our excellence, the result of our work, our values and principles, which ensure that we have a transforming power for the better.

We believe that making the difference is important so that we do not neglect our responsibilities, so we do not forget the impact of our work in everyone's life and in society, so that we are always seeking the best results within the values we believe in, respecting and always in compliance with the laws and regulations in all locations where we operate.

I present this guide which aims to clarify and guide all employees and stakeholders of Labtest Group regarding the principles and values that have always guided our work, in order to have safety in our way of working, and thus remain proud of what we do and how we do.



Eliane Dias Lustosa Cabral

Mission | Vision

Labtest Mission

Provide in vitro diagnosis solutions for the benefit of life.

CDICT Mission

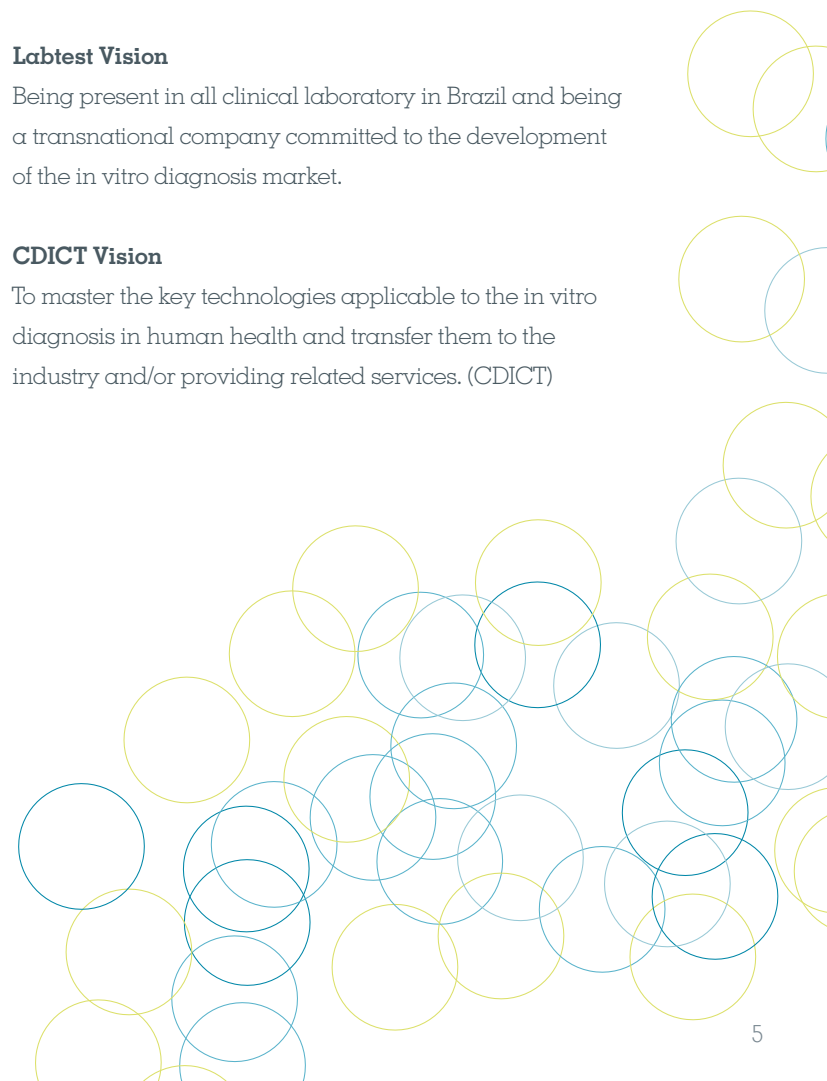
Generate technological solutions for in vitro diagnosis, for the benefit of life. (CDICT)

Labtest Vision

Being present in all clinical laboratory in Brazil and being a transnational company committed to the development of the in vitro diagnosis market.

CDICT Vision

To master the key technologies applicable to the in vitro diagnosis in human health and transfer them to the industry and/or providing related services. (CDICT)



Values are the Pillars of the Company



Labtest

COMMITMENT

Fulfill its responsibilities and duties with a sense of ownership, dedication and persistence.

RESPECT

Take into account the differences and individualities in interpersonal relationships. It involves understanding, listening and attention to each other.

EXCELLENCE

Deliver products and services within their specifications, competently, seeking to exceed the expectations of internal and external customer.

RESULT

Achieve the established goals through teamwork, with professionalism.

CDICT

COMMITMENT

Fulfill its responsibilities and duties with a sense of ownership, dedication and persistence.

RESPECT

Take into account the differences and individualities in interpersonal relationships. It involves understanding, listening and attention to each other.

EXCELLENCE

Developing technologies and/or services, continually looking for high levels of knowledge.

RESULT

Achieve the established goals through teamwork, effectively.

General Principles of the Conduct Manual

1. Respect and value the human being in all its dimensions.
2. Practice and disclose the values of Labtest Group.
3. Respect and care for the environment, both internal and external.
4. Relate properly with all stakeholders: customers, distributors, shareholders, governments, suppliers, entities, agencies, media and employees.
5. Properly use the work tools, personal protective equipment and ensure the individual and collective security.
6. Ensure the security of information and knowledge.
7. Valuing the truth, free initiative and democracy.
8. Observe practices of good corporate governance, good management accounting principles and practices, clear and objective communication for its shareholders.
9. Avoid situations where personal interests may conflict with the interests of the company.
10. Preserving the image and material and intellectual property of the company.

Introduction

Labtest Group is formed by companies Labtest¹, Audlab² and CDICT³, and its main feature is always being at the forefront of the segments in which it operates, providing the population accessibility to health services in both the private and the public system. Still under the management scope, the Group has a corporate governance⁴ system focused on transparency, being audited by internationally renowned company.

This Conduct Manual aims at clarifying and disclosing the culture of Labtest Group to employees, shareholders and stakeholders⁵, which is conducted respecting the social and legal positioning of the organization, the fulfillment of the commitments of the laws that guide its principles and values, as well as quality, transparency and morality of its actions and attitudes.

¹**Labtest** is the Factory and Distributor of Equipment and Reagents.

²**Audlab** is the Equipment Assembler.

³**CDICT** is Research and Development company.

⁴**Corporate Governance** corresponds to processes, policies and standards that are used to manage a company.

⁵**Stakeholders** is formed by the company employees, owners, suppliers, competitors, NGOs, customers, the State creditors, unions and several other people or companies that are related to a particular action or project.

Customer Relationship

Our main customers are government agencies, laboratories, hospitals and distributors. Distributors are still our direct partners and, as such, beyond putting them into practice, they should disclose the values and principles in this manual, exercising the important role of multipliers.

The Labtest Group's practices:

- Deliver with competence, products and services within their specifications, seeking to exceed the expectations of internal and external customers.
- Provide guidance and information so that customers feel able to make the best decisions regarding our business, increasing their perception as to the level and quality of services.
- Investing in research and development to master technologies that make products and services accessible to the market and with high quality standards.
- Offer full support in technical and scientific advisory services, with a commitment to serve customers and exceeding their expectations.
- Do not keep in the portfolio customers that compromise the moral integrity or which are against what is established in this Conduct Manual.
- Periodically monitor the quality indicators, to ensure the efficiency and effectiveness of the compliance with the processes.

- Keeping skilled professionals to meet the agreed specifications.
- Provide the services guided by the regulatory, legal, labor, social security, tax, environmental and health requirements, expecting the same behavior from the customers.
- Preserve the confidentiality and security of customer information.
- Keep secrecy of any information coming from work and or performed activities.

Relationship with Suppliers

The relationship with suppliers and service providers presupposes respect for the principles set out in this Conduct Manual, including:

- Promote the relationship with suppliers based on honesty and integrity.
- Select suppliers by price criteria, technical competence, product quality, service, and the compliance criteria of regulatory, legal, labor, social security, tax, applicable environmental and sanitary requirements.
- Do not accept personal benefits or advantages from any transaction with the Labtest Group.
- Conduct business with transparency, security and mutual respect, fulfilling the commitments agreed in the contract.
- Strictly comply with the signed agreements and only change them with the express consent and approval from the partners and suppliers.

- Align the receipt and delivery of gifts with the current specific policy.
- Ensure the confidentiality of classified information received from our suppliers.
- Comply with the rules of contracting suppliers employing people that can create personal interests conflicts against those of the Labtest Group, effective in Approval Hierarchy Policy⁶.

⁶**Approval Hierarchy Policy** is the document that sets the scope limit for approving processes, activities and actions within the company.

Relationship with Competitors

It is a basic principle to keep a loyal relationship with the competitors. Because of this:

- Reject negative publicity involving the competitors' brand or the product.
- Do not adopt strategies and resources that can negatively impact the competitors' dignity.
- Do not take action, interventions or transactions that aim at unethical conduct with competitors.
- Obtain information from the competitors only through official means available in the market.

Relationship with Government

It is assumed in the relationship with the government:

- Do not accept any political party involvement linked to the name of Labtest Group.
- Do not allow any contributions to candidates or parties that do not comply with the standards pre-established by law.
- Meet the requirements of the Brazilian current legislation and the countries where Labtest Group has business.
- Make sure that employees are able to provide information and provide data required by the public agencies supervision.
- Curb and prohibit any corruption and kickback practices.
- Do not allow the use of the name of Labtest Group's companies in employee's personal relationships with the government.
- Keep an open and constructive relationship with government agencies at all levels.

Relationship with the Community, the Society and the Environment

Labtest Group, committed to the community, society and the environment, establishes as principles:

- Prevent, monitor and control the impacts of the Labtest Group activities along with the society and the environment, promptly communicating any damage

- caused by companies of the Group, fixing any loss or damage.
- Conduct all the activities of Labtest Group's companies in Brazil and the countries where it operates, observing the environment preservation standards and laws.
 - Report, in emergency situations, such as environmental accidents, the facts to the local administration. Only officially appointed spokespeople may give interviews or make announcements to the authorities and the community.

Shareholder Relationship

- Stimulate the good corporate governance practices among all areas.
- Develop operational, financial and accounting reports, keeping the integrity and transparency of information.
- Protect the Group companies' property.
- Ensure the profitability of the capital invested by shareholders in the Group companies.
- Keep confidentiality when dealing with sensitive data or information from the shareholders, as well as with relevant facts, until they are made public.

Security in Financial and Accounting Records

- Lead the processing of all financial and accounting operations within the enterprise resource planning (ERP) software adopted by the Group companies, in order to provide the integrity of records and data.
- Process and store all records, meeting the standards and current legislation.
- Comply with the rules and standards set out in the Approval Hierarchy Policy⁷ document of the Group companies.

⁷**Approval Hierarchy Policy** is the document that sets the limit of scope of approval processes, activities and actions within the company.

Conducts Required by Employees

The Labtest Group treats its employees with dignity and provides a work environment with equal opportunities for professional and personal growth and respect for individual freedom.

Conflicts of interest

- Employees should avoid situations that might lead to a conflict of personal interests with the interests of Labtest Group. When this is not possible, report it to the Conduct Committee.
- The employee cannot perform outside activities, such as providing advice or hold positions in competing companies or organizations with conflicting interests with Labtest Group.

- Comply with the standards of contracting suppliers that employ people who can generate conflicts of personal interests against those from the Labtest Group, effective in the Approval Hierarchy Policy⁸.
- The company does not allow contracting first-degree relatives (father, mother, children) and spouses in positions where the hierarchical relationship is direct or indirect, or the area of activity is the same.
- Employees may not lead supplier and employees selection processes where individual advantages occur.
- Employees should protect Labtest Group interests in activities they are participating.
- Employees should not use the position aiming at personal advantages, easiness or any other form of favoritism themselves or third parties in their relations.
- Employees should strictly comply with the laws in force in the countries where Labtest Group operates.

Situations not detailed in this Conduct Manual that may involve conflict of interests should be promptly reported to the Conduct Committee for guidance.

⁸**Approval Hierarchy Policy** is the document that sets the scope limit of approving processes, activities and actions within the company.

Prejudice

- Do not admit discrimination on ethnic background, origin, gender, sexual orientation, religious beliefs, union affiliation, ideological and political conviction, nationality, marital status, social class, disability status, physical condition, age or any other form of discrimination.
- Evaluate candidates in recruitment, selection and promotion, solely for their conditions to meet and suit the expectations and job requirements.

Management Stance

The conduct expected from the leader is:

- Respecting the interests of a subordinate of participating in an internal recruitment process and cannot give rise to any kind of retaliation.
- Demonstrating any mistakes that could harm the Labtest Group to their teams, pointing out information and guidelines that will prevent recidivism. The repetition of mistakes resulting from carelessness, negligence or lack of interest must be rigorously corrected.
- Encourage the team to listen, consider new ideas, accept different opinions and to promote.
- Questions and arguments leading to continuous learning and to processes improvement.
- Valuing learning from the promotion of synergy among areas, cooperation among employees and sharing knowledge, respecting the confidentiality criteria (see the Privileged information item).

Harassment and Abuse of Power

- The company does not admit harassments⁹, such as sexual, economic, moral or from any other nature, nor situations that constitute disrespect, intimidation or threats in the relationship between employees, regardless of their hierarchical level.
- The employee who considers himself/herself discriminated, humiliated or target of prejudice, abuse or from a disrespectful situation should report the fact to the Conduct Committee.

⁹**Harassment** is when someone, in a privileged position, uses this advantage to humiliate, disrespect, embarrass. Harassment occurs when someone is exposed to humiliating situations during the workday. Sexual harassment seeks sexual advantage or favor.

Use of alcohol, drugs and weapon possession

- Labtest Group prohibits drinking alcohol during working hours, as well as the exercise of professional function under a drunken state. The drugs use and possession and permanence in the workplace under an altered state due to the use of these substances are also prohibited.
- Labtest Group does not allow weapons of any kind on its premises, except for expressly authorized professionals.

Health and safety

- It is the employee's duty to respect and enforce safety and health standards.
- In the event of incidents or accidents, employees should promptly report them to the immediate leadership and the brigade in the area. Where appropriate, only the officially appointed spokespeople may give interviews or make announcements to the authorities and the community.
- The service provider companies contracted by Labtest Group shall comply with all health, safety and environment procedures in accordance with the regulatory standard.
- It is the employee's duty to participate in all building abandonment drills and health and safety at work trainings for which the company convenes them.
- Employees flagged by the company and who will receive the appropriate trainings should comply with the standards and requirements of manufacturing good practices¹⁰ and biosafety¹¹.

¹⁰**Manufacturing Good Practices** are the care that the company and the professionals who work in it should have to manufacture and/or handle the products.

¹¹**Biosafety** refers to care that the employee should have when working in manufacturing laboratories, during manipulation or handling of products and/or equipment.

Political participation

- Do not allow any contributions to candidates or parties on behalf of the Labtest Group companies, except in accordance with the standards pre-established by law.

- Respect the employee's individual right to engage in civic affairs and to participate in political campaigns processes. However, such participation should occur during their free time and at their expenses, making it clear that he/she is not representing the company.
- It is not allowed to make political propaganda in the premises of the company.
- Do not use the resources, space and image of Labtest Group to meet personal or partisan political interests.

Company Property

- Employees must preserve the Labtest Group properties, including its image and reputation, facilities, equipment and materials, using them only for the purposes for which they are intended to.

Privileged information

- The employee who, by virtue of his/her position or responsibilities, has access to strategic or confidential information¹² about Labtest Group, not publicly disclosed yet, cannot disclose them to third parties during the period of confidentiality.

In this case, it is the employee's duty to prevent anyone from accessing such information, redoubling the care with documents and materials left visible. It is also the employee's responsibility to not discuss this information in public places.

¹²**Strategic or confidential information** are those not known to the market and whose disclosure could affect the Company's operations. Examples of such information: financial results, acquisitions or sales, industrial secrets, investments and related matters.

Information and Company assets management

- Any intellectual property, improvements or breeding techniques/literary works assets related to the nature of the company's activity, performed by the employee are of use and power of Labtest Group.
- It is prohibited to disclose confidential information to third parties, such as strategies and commercial, administrative, human resources, marketing, research and development, production, logistics, quality policies, as well as customer list, raw materials and suppliers lists, as well as charged prices to customers and suppliers.
- Any infringement or attempt of infringing the confidentiality and secrecy obligations provided for in this Conduct Manual must be reported immediately to the Conduct Committee.
- One must keep absolute confidentiality about accesses and passwords, which are non-transferrable, to carry out the activities, as well as all the information handled within the Labtest Group.
- It is prohibited to change, recover, store or use of obscene, pornographic, violent, discriminatory, racist, defamatory contents, disrespecting any individual or entity and which is contrary to the policies and interests of Labtest Group. Games and chain messages are not allowed.

Academic Works

- All confidentiality provisions mentioned in this Manual relating to information whose disclosure has not been authorized by the Group also apply to academic works, theses and dissertations held by employees, third parties or external public.
- Academic works may only contain company information, if previously approved by the Management of the involved areas and by the Human Resources area. The inclusion in such works, of financial data which still have not been published, must have the prior approval of the Executive Director.

General and Workplace Conducts

- Perform the activities in accordance with this Conduct Manual.
- Keeping a positive, worthy, loyal, honest, of mutual respect, of trust and cooperation professional attitude with the other co-workers.
- Act with impartiality, objectivity, honesty, respect, transparency, loyalty and courtesy in dealing with managers, employees, suppliers, customers, shareholders and investors.
- Act in strict accordance with all applicable laws, including anti-bribery¹³ and anti-corruption¹⁴ laws, which apply to the Labtest Group operations in the countries where it operates.
- Be careful and responsible in dealing with authorities, customers, competitors, suppliers, community members and all other individuals, companies and organizations with Labtest Group relates to the exercise of its regular activities, always seeking to preserve the good reputation, image and company relations.
- Ensure that communications and information to shareholders and to the capital market are made exclusively by authorized employees and comply with the policies, controls and procedures of Labtest Group and applicable law.
- Acting with social responsibility and respect for human dignity.
- Working in accordance with the values of Labtest Group.
- Participate in trainings to understand the requirements described in this Conduct Manual.
- Do not use company resources for personal purposes.

¹³**Anti-bribery**, specific law for each country; in Brazil, the Anti-Corruption Law applies.

¹⁴**Anti-corruption**, Law Number 12.846/13, enacted in August/2013, it changes the accountability of those involved in acts of corruption against Public Authorities, especially affecting the companies involved in such practices. According to the new measure, any company practicing acts of corruption, as offering direct or indirect undue advantages to public officials or fraud/manipulation of bidding procedures, can be objectively liable for the act, even if not proven its negligence or willful misconduct by the offense.

Conducts not expected in the Workplace

Labtest Group employees shall not:

- Establish business relationships with companies or individuals who do not follow ethical standards of health, safety and human rights compatible with the Labtest Group's, as well as the anti-bribery¹⁵ and anti-corruption¹⁶ practices that apply in the countries where it operates.
- Treat in a preferred or privileged way any customer or internal and external supplier.
- Giving or receiving gifts in violation of this Conduct Manual as a means of exerting undue influence, or obtaining personal gain or reward for themselves or third parties.
- Offer, pay, promise or authorize a personal benefit (either payment or any other personal benefit), directly or indirectly, to any employee from the Government or from private companies.

- Having contact with a competitor of the Labtest Group in violation of the applicable competition law¹⁷.
- Carry out actions between friends or internal sweepstakes not formally authorized by the company management, for their benefit or third parties' benefit.
- Sell any type of product within the premises of the Labtest Group companies.

¹⁵**Anti-bribery**, specific law for each country; in Brazil, the Anti-Corruption Law applies.

¹⁶**Anti-corruption**, Law Number 12.846/13, enacted in August/2013, it changes the accountability of those involved in acts of corruption against Public Authorities, especially affecting the companies involved in such practices. According to the new measure, any company practicing acts of corruption, as offering direct or indirect undue advantages to public officials or fraud/manipulation of bidding procedures, can be objectively liable for the act, even if not proven its negligence or willful misconduct by the offense.

¹⁷**Competition Law**, Antitrust (Number 12.529/2011) and the Competition Laws are technical and vary from country to country. It is essential that management and commercial members obtain legal advice before acting in other countries.

Final considerations

Give extensive knowledge of this Conduct Manual to all public referenced in it.

Be permanently open to receive ideas and suggestions aimed at continuous improvement of this document. Do not discriminate or punish employees due to the manifestation of their opinions and behaviors aligned with the Conduct Manual.

Report immediately to the Conduct Committee situations that are in violation of this Conduct Manual. Procedures that aim at protecting the rights of the complainant and the accused shall be observed.

Violations of provisions in this Conduct Manual subject the violators to disciplinary action, including warning (oral or formal), suspension and dismissal. In the application of disciplinary measures the nature and seriousness of the offense will be considered, always observing the Labtest Group Human Resources rules and applicable law.

Concerns or questions about the interpretation, scope or procedures relating to any matter to be dealt with regards of this Conduct Manual should be clarified by the Conduct Committee and, where necessary, forwarded to the specific areas.

It is up to all signatories to ensure the observance of this Conduct Manual, being also responsible for proposing and recommending its improvement, aiming at its continuous updating.



Labtest 

Av. Paulo Ferreira da Costa, 600, Lagoa Santa

MG | Brazil | ZIP CODE 33400-000

Customer Service: + 55 (31) 3689-6900

customerservice@labtest.com.br

labtest@labtest.com.br

labtest.com.br

