

POLICY ON THE PROHIBITION OF CHILD AND YOUTH LABOUR



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AND YOUTH LABOUR**



**ALKALOID
SKOPJE**

Health above all

Pursuant to Article 119 of the Statute of ALKALOID AD Skopje, upon the proposal of the Supervisory Board of ALKALOID AD Skopje, and in accordance with Articles 203 and 204 of the Statute, the Management Board of ALKALOID AD Skopje, at the session held on 26 April 2024, adopted the following

POLICY ON THE PROHIBITION OF CHILD AND YOUTH LABOUR¹

Introduction

At ALKALOID AD Skopje, we are dedicated to eliminating child labour and upholding internationally recognized human rights and labour standards within our operations and throughout our supply chain. Our commitment to children's rights is guided by the UN Guiding Principles on Business and Human Rights, the core conventions and programs of the International Labour Organization (ILO), and other international standards.

ALKALOID does not tolerate child labour or the exploitation of young people in any of its global operations and facilities. In addition to holding ourselves and our employees accountable to this commitment, we expect our partners, suppliers and contractors to adhere to our principles unconditionally.

According to this Policy, and in alignment with the International Labour Organization (ILO), child labour means any labour that is mentally, psychologically, socially and morally harmful to children and affects their education by preventing school attendance, forcing them to leave school early, or requiring school attendance under severe conditions, including the worst forms of child labour.

This policy is based on domestic legislation as well as fundamental conventions of the International Labour Organization (ILO): The Minimum Age Convention (No. 138) and the Convention on the Worst Forms of Child Labour (No. 182)

Policy goals

Our goals to prohibit child and youth labour are based on International Labour Organization (ILO) conventions and national laws, underscoring our unwavering commitment to prohibit the employment of individuals under the age of 15 within our operations.

ALKALOID developed this Policy on the Prohibition of Child and Youth Labour to demonstrate our commitment to eliminating child labour and to set clear expectations for our suppliers, business partners and associates to uphold similar standards and comply with the applicable legal regulations for child labour protection. Any violation of this Policy's principles that is not promptly rectified will result in serious actions, including the termination of the business relationship.

Our approach

ALKALOID prohibits the illegal employment or exploitation of children and young people in its workplaces. We adhere to all national laws on the minimum age of employment, as outlined by the ILO Minimum Age Convention (No. 138). We prohibit persons under the age of 18 to be hired for positions requiring hazardous work, in alignment with the ILO Worst Forms of Child Labour Convention (No. 182).

When recruiting and selecting candidates to be employed or hired at ALKALOID, we ensure candidates' ages are verified to fully comply with this Policy.

In accordance with this Policy, ALKALOID prohibits the employment of children under the age of 15.

In principle, ALKALOID does not employ or hire persons between the ages of 15 and 18, and if, under certain circumstances and in accordance with the applicable legal regulations, ALKALOID employs or hires a young person between the ages of 15 and 18, it guarantees that:

- The young person will not be assigned to dangerous work tasks, which might have a harmful effect on their health and safety and on their psychophysical and moral integrity;
- It will not negatively and harmfully affect the prospects for their education and future development and they will be able to attend classes and have a quality education;
- They will not be assigned to night work;
- Other legal regulations for child labour protection will be observed, including legal regulations and internal acts related to wages, benefits, working hours, overtime and working conditions.

ALKALOID, conveys this Policy' principles to its suppliers through its Supplier Code, requiring them to operate and conduct their business in accordance with the applicable legal regulations for child labour protection.

Corrective measures

If a child under 15 or a young person between 15 and 18 who is not an employee, is found performing work at ALKALOID, immediate measures will be taken to provide adequate support and safeguard the child's best interests.

The discovery of the child worker or young person must be reported immediately to the line manager or second line managers of the respective department, Human Resources, and the child's parents or guardians.

The child worker must be immediately removed from the workplace.

If a young person is found, they must be immediately removed from tasks that are considered dangerous, unsafe or unhealthy for persons under 18 (i.e. heavy loads, night work, heavy machinery).

In addition to taking steps to ensure the child receives support and protection, the omissions that occurred during the child's employment must also be identified and a corrective action plan must be implemented to address the omissions, including training on children's rights and child labour protection measures.

Reporting mechanisms

ALKALOID encourages its employees and all concerned individuals to report any questions about the application of this Policy or any known violations to:

1. Their line manager;
2. The second line management;
3. The AlkaSpeakUp platform, available on ALKALOID's website (www.alkaloid.com.mk), which allows anonymous reporting;
4. The Corporate Compliance Officer (complianceofficer@alkaloid.com.mk or phone number +38972918245).

The procedure for addressing violations of the principles prohibiting child and youth labour is conducted according to pre-established rules and upon an investigation by the competent bodies at the company. Any confirmed violations of the principles prohibiting child and youth labour shall be sanctioned by ALKALOID in accordance with the Code of Ethics and Business Conduct and the relevant company internal acts.

ALKALOID strongly advocates and upholds the principle of non-retribution and non-retaliation, as provided by the Code of Ethics and Business Conduct and other internal acts. Namely, anyone who reports a policy violation will not face any negative consequences regarding their employment status or other guaranteed rights and privileges as long as they reported the violation in good faith.

Policy application

This Policy applies to all capitally related companies of ALKALOID, both domestically and internationally.

¹ This version of the Policy on the Prohibition of Child and Youth Labour of ALKALOID AD Skopje is formatted and designed to inform the public about it. The official version of the Policy is kept at the Company headquarters.

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