

Template - Code of Conduct

We are committed to promote responsibility in our operation,s including our supply chain. To make our position clear to our collaborators and suppliers, we have established this Code of Conduct with requirements following international principles and universal standards. We follow and comply with these in our daily business operations and we expect all of our supplier to follow the same standards. Hereby, we are making our internal compliance requirements into external demands for our business partners.

It is part of the requirement, that our suppliers put forward similar requirements to their first tier suppliers, including the requirement to make the code or similar provisions binding towards the next layer of first tier suppliers. It is a non-negotiable requirement from our side that all our suppliers, without exception, should follow this. Apart from being of moral condemnation, behaviour in violation of these requirements anywhere in the entire supply chain may lead to costly reactions by the public and the customers.

We are committed to respect and promote international human rights. This Code of Conduct explicitly covers human rights compliance. To keep it simple, it does not cover all human rights, but includes those most relevant in relation to supply chain codes. However, this implies that we, and our suppliers should stay aware of the remaining human rights, hereunder special challenges arising from development in the industry and country of supplier, and their national protection to mitigate risks. We apply and follow the process of human rights "Due Diligence" consistent with guidelines in the United Nations Guiding Principles on Business and Human Rights. We urge that our collaborator undertake a similar process.

Our requirements follow the principles and structure of the United Nations Global Compact guidelines. Consequently, the following standards and principles have been used to frame our international requirements to our collaborators:

Human Rights

Our human rights requirements are based on The International Bill of human Rights, which include the Universal declaration on Human Rights, the International Covenant on Political and Civil Rights, and the International Covenant on Economic, Social and Cultural Rights.

Labour rights

Our labour rights requirements are based on the International Labour Organization's (ILO) core conventions and on the ILO Declaration on Fundamental Principles and Rights at Work.

Environment

Our requirements in relation to the environment are founded on The Rio Declaration on Environment and Development

Anti-corruption

Our requirements to anti-corruption is founded on The UN Convention against Corruption

1. REQUIREMENTS IN RELATION TO NATIONAL LAWS

Suppliers must, in all their activities, follow national laws in the countries where they are operating. Should any of the following requirements be in contradiction to national laws, the national law should be complied with in a manner that to the greatest extent possible recognises the requirements. In case of such contradiction the supplier must always inform immediately upon receiving this Code and no later than the time such contradiction is discovered.

It shall be noted that our requirements may exceed requirements of national laws and vice versa in which case the highest standard shall prevail.

Human Rights

2. CONDUCT OF THE SUPPLIERS

Suppliers shall support and respect the protection of the right to

2.1 freedom from discrimination in respect of employment and occupation, by

- 2.1.1 not discriminating against an employee because of gender, 'race', colour, ethnic origin, religion, creed, social status, sexual orientation, physical challenge, economic status or political persuasion in hiring, firing or promotion
- 2.1.2 not discriminating against workers based on real or perceived HIV status
- 2.1.3 not asking applicants for jobs about their HIV status
- 2.1.4 paying male and female employees equally for the same work
- 2.1.5 prohibiting expressly sexual harassment in the work place

2.2 work, by;

- 2.2.1 providing for a contract, that details, as a minimum, job duties, payment, hours of work, holidays and holiday payment when employing persons for more than one month
- 2.2.2 providing notice of termination of contract in writing
- 2.2.3 not firing an employee because the employee filed a complaint against the business

2.3 rest, leisure and paid holidays by;

- 2.3.1 demanding maximum a 6 days work-week with max. 48 hours of work and only voluntary overtime not exceeding 12 hours a week and with overtime pay
- 2.3.2 granting every employee at least 3 weeks paid holiday leave per year

2.4 a living wage by;

- 2.4.1 paying at least the official minimum salary in a timely and regular manner

2.5 a safe and healthy working environment by

- 2.5.1** providing adequate sanitary facilities at the workplace
- 2.5.2** forming an Organisational Health and Safety (OHS) committee if larger than 15 employees or discussing with employees OHS issues at least annually if smaller
- 2.5.3** providing safety and protective devices and instructing workers on how to use them.
- 2.5.4** Providing no hazardous machines or working equipment. Are at all times maintained in safe conditions.
- 2.5.5** Providing personal protection equipment needed to carry out work in a safe way include when appropriate breath protection, protection glasses, and helmets.
- 2.5.6** Providing training on the importance and practical use of personal safety and protection equipment.
- 2.5.7** Providing first aid equipment and training in every factory. At least one person in each department shall be able to perform basic first aid.
- 2.5.8** Providing safe buildings with clearly marked exit doors that are easy accessible and well lit. Having an evacuation plan clearly displayed in building
- 2.5.9** Establishing awareness on safety arrangements, knowledge on placement of emergency exits, fire extinguishers, and first aid equipment.

2.6 privacy by;

- 2.6.1** not asking employees about their HIV status or that of fellow workers
- 2.6.2** ensuring that employees and customers are made aware of the information that the business holds on them

2.7 freedom from degrading treatment by;

- 2.7.1** ensuring that persons providing security services to the supplier are trained in and respect international guidelines for the use of force
- 2.7.2** abstaining from using verbal or corporal abuse in disciplining employees

2.8 freedom of association and the effective recognition of the right to collective bargaining by

- 2.8.1** recognizing the right of employees to join and form trade unions of their choice without fear of intimidation or reprisal
- 2.8.2** recognizing representative organisations for the purpose of collective bargaining
- 2.8.3** using collective bargaining as a forum to address working conditions and terms of employment

2.9 freedom from all forms of forced and compulsory labour, by

- 2.9.1** not employing or making use of services performed by employees who do not have free choice to resign
- 2.9.2** taking all feasible measures to prevent workers falling into debt bondage

2.10 freedom from exploitative child labour, by

2.10.1 not making use of exploitative child labour, meaning work that deprives a child below 18 years of age of health, education or development

2.10.2 only hiring apprentices or employees above age 15

2.10.3 not exposing young people below age 21 to work that may expose them to physical or moral hazard including night work

2.10.4 providing for removal with adequate education and viable income alternatives for both the children and their families, when children below 15 years of age are found in the workplace

Environment

2.11.1 Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

2.11.2 Pollution Prevention and Resource Reduction

Waste of all types, including water and energy, must be reduced to the extent possible or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

2.11.3 Hazardous Substances

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

2.11.4 Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

2.11.5 Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

Anti-Corruption

2.11.6 Zero tolerance

We expect the highest standards of integrity in all business interactions. All forms of corruption, facilitation payments, extortion and embezzlement are strictly prohibited. Such activities may result in immediate termination of the business relationship, in communication with relevant authorities and organisations, as well as in legal actions.

3. MONITORING AND ENFORCEMENT

3.1 The principle of trust and co-operation

We expect all its suppliers to respect the above Code of Conduct and to actively do their utmost to achieve the universal standards. We emphasize remediation, and we do not allow Code of Conduct violations to go unaddressed. We trust our own staff to take similar responsibility in their work. We believe in co-operation and we are willing to work with our suppliers to achieve workable solutions in each individual case if possible. When we find violations, we work with factory management to agree on specific time-bound improvement plans. However, we reserve the right to cancel agreements immediately in case of violations.

3.2 Monitoring

Whereas we will not have the capacity to monitor all suppliers, we reserve the right at any time to perform unannounced visits to both first tier suppliers and sub-suppliers and to demand evidence that suppliers live up to this Code of Conduct. Suppliers are obliged to always keep us informed about sub-suppliers for each order. We also reserve the right to let an independent third party (e.g. a trade union) of our choice make inspections to ensure compliance with our Code of Conduct.

3.3 Non-compliance

Should we find that a supplier does not comply with our Code of Conduct, we may terminate our business relationship with this supplier without notice; alternatively we may agree a notice period in which corrective measures shall be taken to maintain the business relationship. Termination may include cancellation of existing orders and will be considered a breach of contract possibly leading to payment of damages.

If allegations are made in public and the supplier or its sub-suppliers finds the allegations unsubstantiated such suppliers or sub-suppliers shall use their best efforts to prove that the allegations were unfounded. We will be entitled to rely on such public information in determining reactions in accordance with the present paragraph. However, we will cease measures and seek to re-establish the relationship should we deem the proof adequate.

3.4. Grievance mechanism

Where suppliers have caused or contributed to adverse human rights impacts, they must provide for or cooperate in remediation. Suppliers should establish or participate in effective operational-level grievance mechanisms when individuals have been adversely impacted. The availability of effective grievance mechanisms is required following the provisions of the United Nations Guiding Principles on Business and Human Rights.

With this signature I accept and observe all conditions in the Code of Conduct.

supplier

business/organisation