

thought

OUR CODE OF CONDUCT

We recognise our responsibility to the people involved in the production of our garments, including those we directly and indirectly employ.

All workers involved in the production of our products will therefore be entitled to fair wages, decent working conditions and the fundamental standards set out by the International Labour Organisation.

As such, contractors, sub-contractors and suppliers of ours are required to demonstrate compliance with the following:

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- **Employment is freely chosen.** There must not be any use of forced, bonded or prison labour (International Labour Organisation [ILO], conventions 29 and 105). Workers must not be required to lodge "deposits" or their identity papers with their employer.
- **There is no discrimination in employment.** Equality of opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or other distinguishing characteristic will be provided (ILO conventions 100 and 111).
- **Child labour is not used.** There must not be any use of child labour. Only workers above the age of 15 years or above the compulsory school-leaving age must be engaged (ILO convention 138). Adequate transitional economic assistance and appropriate educational opportunities must be provided to any replaced child workers.
- **The right to effective consultation between employers and employees is respected.** Employers must adopt best available practice as provided by the All China Federation of Trade Unions (ACFTU), or equivalent, to provide representation and engage in consultation with employees. Consultation includes any request to change labour, wages or working conditions.
- **Living wages are paid.** Wages and benefits paid for a standard working week must meet at least legal or industry minimum standards. They must always be sufficient to meet basic needs of workers and their families and provide some discretionary income.

Deductions from wages for disciplinary measures must not be permitted. Any illegal deduction from wages is not allowed either; i.e. if an unachievable target is set for an employee and their wages are deducted as a result of the deadline not being met.

All workers must be provided with written and understandable information about the conditions in respect of wages before they enter employment. This also covers the particulars of their wages for the pay period concerned each time that they are paid.

- **Hours of work are not excessive.** Hours of work must comply with applicable laws and industry standards. In any event, workers must not, on a regular basis, be required to work in excess of 48 hours per week and must be provided with at least one day off for every 7-day period. Overtime must be voluntary and always compensated at a premium rate.
- **Working conditions are decent.** A safe and hygienic working environment must be provided and best occupational health and safety practice must be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer are strictly prohibited.
- **The employment relationship is established.** Regular employment must not be avoided, or replaced with labour-only contracting arrangements or apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Workers must be given the opportunity to participate in education and training programmes upon request.

Contractors, sub-contractors and suppliers are expected to implement the Code of Conduct by:

- Communicating the contents of the code to all employees so that they are aware of their rights and obligations.
- Keeping and maintaining employment records.
- Providing information concerning their operations.
- Permitting workplace inspections.
- Under no circumstances are employees to suffer disciplinary action, dismissal or discrimination for providing information in compliance with the Code of Conduct.

We will facilitate the implementation of the Code of Conduct by:

- Assigning a responsible person(s) to oversee and support the code's successful execution.
- Integrating the code into our company philosophy.
- Enforcing the code as a condition of all contracts.
- Periodically reviewing the code's operation and success.

Any breach of the code will be met with the following actions:

- Recognisable and unmistakable violations of the code will be ceased immediately.
- Where a corrective action can be reasonably expected, parameters and a time frame for implementation will be set.
- Contractors, sub-contractors and suppliers found to be committing the same violation of the code on more than one occasion will be considered for dismissal.