

SUPPLIER CODE OF CONDUCT

Instore Agency is a company supplying garment hangers and related products. We strive to be a good employer and responsible member of society. Our goal is to supply reliable products without compromising on ethical responsibility, safe and healthy working conditions, or the environment. For us it is a natural part of our efforts to improve our business.

This code of conduct defines the requirements and expectations that we have of ourselves and of our suppliers. We therefore expect our suppliers to respect the principles of our code of conduct in their business operations and to comply with them in their business practice. Our suppliers are also responsible for ensuring that their suppliers fulfill our code of conducts.

If a supplier does not meet the standards of this code of conduct in any matter this should be reported to Instore Agency and activities need to be implemented to ensure that the shortcomings are addressed.

1. LEGAL REQUIREMENTS

We expect our suppliers in their business operations to be aware of the national legislation in the country where they operate, and to follow this legislation as a minimum requirement. The requirements of the code are not always limited to national legislation. If any requirement in the code of conduct conflicts with national legislation, the law takes preference. The supplier shall inform us immediately if this is case.

2. HUMAN RIGHTS

Suppliers must uphold the human rights of workers, and treat them with dignity and respect as understood by the international community. Workers employed through an agent, or contractor is the responsibility of the supplier and therefore also covered by this code.

2.1 ANTIDISCRIMINATION

Employees shall be assessed and treated on the basis of their own ability and qualifications to carry out their work, not on the basis of race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status. Migrated workers shall have the same rights as local employees.

2.2 FAIR TREATMENT

Employees shall be treated with respect and dignity. Under no circumstances may any employee be subject to corporal punishment or other forms of physical, sexual or psychological punishment, harassment or coercion. Pay deductions may not be made for disciplinary reasons, unless this is regulated by collective agreement or permitted by law. All disciplinary actions must be recorded.

2.3 NO FORCED LABOUR

No person may be detained at work against his or her will for any period of time. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to lodge a “deposit” of any kind or to surrender any government issued identification, passports, or work permits as a condition of employment.

2.4 NO CHILD LABOUR

The use of child labor is absolutely unacceptable. No person may be employed below the age for having completed compulsory schooling or under the age of 15 years (or age as referred to in article 2.4 of ILO convention no. 138).

2.5 WORKING HOURS

Working hours per weeks shall not exceed 48 hours or the maximum permitted under applicable laws and regulations. Suppliers must offer vacation time, leave periods, and holidays consistent with applicable laws and regulations. All overtime work must be voluntary and compensated in accordance with laws.

2.6 WAGES AND BENEFITS

Wages, overtime pay, and benefits, e.g. social security, shall be paid and provided on a regular schedule as a minimum in accordance with local laws and agreements. For regular work all employment relationship shall be recorded in a written employment contract. Written and understandable information must be provided to employees about, their employment conditions and wages before they enter into any employment contract

2.7 FREEDOM OF ASSOCIATION

Employees shall be free to exercise their legal rights to join, form or work for organizations which represent their interests as employees. Workers must not be threatened, penalized or interfered with if they legally and peacefully exercise of their rights.

2.8 TRAINING

Employees shall receive sufficient training to become competent in their duties they are employed for. Training shall be carried out in working hours and shall be paid for. Health and safety training must be included.

2.9 SUBCONTRACTING, APPRENTICESHIP AND HOMEWORK

Subcontracting, apprenticeship and homework must be avoided. If subcontracting, apprenticeship or homework is utilized the Supplier must ensure that all conditions in this code are met for all persons exercising work under these conditions.

3. HEALTH AND SAFETY

Suppliers shall follow all relevant legislation, regulations and directives in the country in which they operate to ensure a safe and healthy workplace. At a minimum, suppliers should implement recognized management systems and guidelines such as the International Labour Organisation’s Guidelines on Occupational Safety and Health (ILO-OSH-2001) which can be found at ILO’s website.

The supplier shall ensure that at a minimum reasonable access to drinkable water and sanitary facilities; fire safety; emergency preparedness and response; industrial hygiene; adequate lighting and ventilation; occupational injury and illness and machine safeguarding. First aid equipment shall be available to all workers at all times. A senior management representative shall be assigned the responsibility for health and safety. Regular and recorded health and safety training shall be provided.

3.1 BUILDINGS AND EVACUATION

All building shall be safe and properly controlled. Emergency exits on all floors must be clearly marked, well lit and unblocked all the way out of the building. Evacuation through emergency exits must always be possible during working hours

Everyone working on the premises, including managers and guards, must be regularly trained in how to act in case of fire or other emergency. Regular evacuation drills for all employees are required; evacuation plans and firefighting equipment must be in place.

Suppliers shall also ensure these same standards apply to any dormitory or canteen facilities. Employees should have free access to the dormitories which must be separated from the workplace and have a separate entrance.

4. ENVIRONMENT

Suppliers shall be well informed about and comply with environmental requirements in accordance with national legislation, regulations and industry standards. This involves being aware of and monitoring their environmental impact, and to improve environmental performance.

4.1 WASTEWATER AND SOLID WASTE EMISSIONS

Wastewater and solid waste generated from operations, industrial processes, and sanitation facilities must be cleaned, monitored, controlled, and treated as required by applicable laws and regulations before discharge or disposal.

4.2 AIR EMISSIONS

Air emissions of chemicals and particles generated from operations must be characterized, monitored, controlled, and treated as required by applicable laws and regulations before discharge.

4.3 ENVIRONMENTAL PERMITS AND REPORTING

Suppliers must obtain, maintain, and keep current all required environmental permits (e.g. discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.

4.4 CHEMICALS

Toxic and hazardous substances must be eliminated in products and processes. All products supplied to Instore Agency must comply with the European REACH legislation and not contain any substances exceeding the defined concentrations.

All chemicals present in the company must be properly labelled and safely stored. A material and safety data sheet must be available for all chemicals and instructions followed.

4.5 MINIMIZE WASTE AND MAXIMIZE RECYCLING

Suppliers must endeavor to reduce or eliminate waste of all types, including water and energy, by implementing practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

4.6 WOODEN PRODUCTS

The supplier must not, directly or indirectly, be involved in the following activities:

- a) Illegal logging or the trade in illegal wood or forest products;
- b) Violation of traditional and human rights in forestry operations;
- c) Destruction of high conservation values in forestry operations;
- d) Significant conversion of forests to plantations or non-forest use;
- e) Introduction of genetically modified organisms in forestry operations;
- f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

5. ETHICS

Suppliers are encouraged to engage the community to help foster social and economic development and to contribute to the sustainability of the communities in which they operate. Suppliers must however not offer nor accept bribes or other means of obtaining undue or improper advantage.

6. APPLICATION AND MONITORING

Instore Agency strive for long-term relationships and mutual development with our suppliers. We believe in active dialogue and cooperation with suppliers in order to agree on realistic action plans in every individual case of deviation from the code, without compromising our long-term goals.

6.1 SYSTEMS APPROACH

In order to maintain compliance with this Conduct, local labour laws and environmental laws, it is important that the supplier have the necessary policies and management systems in place.

6.2 APPLICATION & COMMUNICATION

Suppliers shall ensure that the code is available in the local language to employees involved in production for Instore Agency. Managers shall be aware of this code, applicable national laws and regulations, and are responsible for its application within their area of responsibility.

6.3 MONITORING

All non-compliance with the code shall be reported, acted on and followed up. In order to ensure that the code of conduct is practiced, Instore Agency reserves the right to carry out unannounced inspections of suppliers ourselves, by Instore Agency customers, or by an

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independent third party. The suppliers or manufacturers should on request provide a labour force register, employment contracts, records of hours worked and wages paid, work-related injuries and accidents, preventative action taken, fire protection measures implemented and evacuation drills carried out, as well as other appropriate information.

If a supplier or manufacturer does not co-operate or fails to implement the agreed improvements in accordance with the action plan Instore Agency will have to terminate our business with the supplier.

7. SUPPLIERS INFORMATION AND SIGNATURE

SUPPLIER:

LOCATION:

PRODUCTS:

UNDERSIGNERS NAME:

POSITION:

TELEPHONE:

The under signer confirms that the Supplier is working to meet the requirements of this Instore Agency supplier code of conduct and assures that the Supplier immediately will report to Instore Agency if there are any principles or requirements in these codes that the Supplier does not meet at any time.

PLACE:

DATE:

SIGNATURE:
