2°EAST

RESPONSIBLE SOURCING COMMITMENT

We believe in fair work places, and recognise our responsibility to ensure the people throughout our supply chain are protected and respected.

All workers involved in the production of our watches and watch straps are entitled to fair wages, decent working conditions and the fundamental standards set out by the International Labour Organisation.

Our Actions.

2°EAST has an assigned Ethics and Sustainability Officer tasked to oversee and support our commitments' successful implementation, to provide suppliers with the below list of expectations in their native language for agreement, and to periodically review and address any breaches.

Any breaches will result in implementation of a corrective and preventive action plan. Reasons for the breach will be reviewed and a timeframe for corrective actions agreed upon. Suppliers found unable to meet their commitment will be replaced.

Suppliers' Actions

Our suppliers provide full and open access for review of all facilities within the product supply chain, and agree to the following expectations;

1. Employment is freely chosen

- 1.1. There is no forced, bonded or involuntary prison labour.
- 1.2. Workers are not required to lodge "deposits" or their identity papers with their employer
- 1.3. Workers are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected

- 2.1. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.3. Where the law is restrictive, supplier shall not hinder alternative form of independent and free worker representation and negotiation

3. Working conditions are safe and hygienic

- 3.1. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 3.3. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5. The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used

- 4.1. Children and young persons under 15 shall not be employed. Suppliers shall also comply with national min age, age of completion of compulsory education or otherwise specified exceptions, whichever is higher.
- 4.2. Children and young persons under 18 shall not be employed at night or in hazardous conditions.

5. Living wages are paid

- 5.1. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs for workers and their families and to provide some discretionary income.
- 5.2. All workers shall be provided with written and understandable Information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 5.3. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded

6. Working hours are not excessive

- 6.1. Suppliers shall set working hours that comply with national law & industry benchmark standards (whichever provides more protection).
- 6.2. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

- 6.3. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the extent, frequency and hours worked by individual workers and the workforce as a whole.
- 6.4. Overtime shall be paid at a premium.
- 6.5. Workers shall be provided with at least one day off in every seven day period or, where allowed by national law, two days off in every 14 day period.

7. No discrimination is practiced

7.1. There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided

- 8.1. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- 8.2. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or homeworking arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment is allowed

9.1. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.