

5. CODE OF CONDUCT

5.1 INTRODUCTION

10DAYS is committed to producing high quality and ethically manufactured products at a good value to its consumers. The 10DAYS Supplier Code of Conduct (COC) outlines 10DAYS expectations regarding the conditions under which its products should be manufactured. The criteria in this COC are based on the regulations by International Labour Organization (ILO).

10DAYS' commitment is to only do business with suppliers that share its commitment to fair and safe labour practices and observe environmental conscious practices in the locations where they operate. This COC applies to all suppliers, their subcontractors and other business partners providing products to 10DAYS.

This COC clarifies and elevates the expectations we have of suppliers we work with and lays down the minimum social and environmental standards we expect each factory to meet.

It will be subject to regular improvements and 10DAYS encourages all suppliers to improve their fair and safe labour and environmental practices continuously. Since no code can be all inclusive, suppliers must ensure that no abusive, exploitative conditions and environmentally unfriendly practices or unsafe working conditions exist at the facilities where 10DAYS products are manufactured.

Our general rule is that all our suppliers, their subcontractors and other business partners must, in all the activities follow the national laws in the countries in which they operate. Should any requirements in this Code conflict with the national law in any country the law must always be followed. In such cases the supplier must notify 10DAYS immediately before signing this Code.

The supplier is responsible to ensure that this Supplier COC is implemented and adhered to by its subcontractors and business partners.

It is our intention to only work with suppliers that share our values and does not wish to work with any supplier that directly or indirectly through its (approved) subcontractors or business partners, violates the laws of the country where the products are manufactured or knowingly violates these standards. 10DAYS will take immediate and appropriate action upon notification of such violation.

Herewith an overview of our social standards each supplier of 10DAYS should comply with:

1. Right of freedom of association and collective bargaining

The right of all workers to form and join trade unions and bargain collectively shall be recognised (ILO Conventions 87 and 98).

Suppliers shall not prevent workers' representatives from having access to workers in the workplace or from interacting with them.

When operating in countries where trade union activity and collective bargaining are restricted under law, suppliers shall respect this principle and facilitate parallel means of independent and free association and bargaining for all workers. Workers' representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to carry out their representation functions (ILO Convention 135 and Recommendation 143).

2. No discrimination

Recruitment, wage policy, admittance to training programmes, employee promotion policy, policies of employment termination, retirement or any other aspect of the employment relationship shall be based on the principal of equal opportunities, regardless of gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organisations, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination. In particular, workers shall not be harassed or disciplined on any of the grounds listed above (ILO Conventions 100 and 111).

3. Fair remuneration (living wage)

Wages paid for normal working hours, overtime and overtime allowances must match or exceed the statutory minimum and/or sectoral norms in the country concerned (ILO Conventions 26 and 131). No illegal, unjustified or penal deductions for salaries and wages may take place. In situations where the statutory minimum wage and/or sectoral norms do not cover the cost of living and do not offer any extra spending power, suppliers are encouraged to give their employees adequate remuneration that covers these needs. Reduction of wages as disciplinary measure is prohibited. Suppliers must ensure that employees receive clear, detailed and regular information on the composition of the wages; the suppliers must also ensure that the wages are paid in compliance with all relevant laws and regulations and that the payment takes place in a manner appropriate for the employees.

4. Reasonable hours of work

Suppliers must comply with applicable laws, regulations and industry standards relating to working hours. The maximum permitted number of working hours must comply with national legislation, but will not regularly exceed 48 hours within one week. Overtime be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate (ILO Convention 1). An employee is entitled to at least one free day after working for six successive days.

5. Occupational Health and Safety

A safe and hygienic working environment shall be provided and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Effective regulations shall be implemented to prevent accidents and minimise health risks as much as possible (ILO Convention 155). Clean toilets, access to drinking water and if applicable hygienic facilities for storing food, eating and resting should be provided by the employer. Working methods and working conditions and circumstances in sleeping facilities that infringe basic human rights are prohibited. Young employees, new and expecting mothers and persons with disabilities, in particular will not be exposed to high-risk, unsafe or unhealthy conditions. Physical abuse, threats of physical abuse, unusual punishment or discipline, sexual and other harassment and intimidation by the employer is strictly prohibited.

6. No Child labour

Child labour is prohibited, as stated in the ILO and UN conventions and/or national laws and regulations. The strictest of these requirements must be followed. Children below the minimum age of completion of compulsory schooling as defined by law, which should not be less than 15 years, unless the exceptions recognised by the ILO apply cannot be directly or indirectly employed by suppliers (ILO Convention 138). Children in the age of 15-18 shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health, safety or morals (ILO Convention 182).

Suppliers must establish robust age-verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker. This principle aims to protect children from any form of exploitation. Special care is to be taken on the occasion of dismissal of children, as they can move into more hazardous employment, such as prostitution or drug trafficking. In removing children from the workplace, suppliers should identify in a proactive manner, measures to ensure the protection of affected children.

7. No bonded or forced labour

All forms of forced labour are prohibited. There shall be no forms of forced, included bonded or prison labour (ILO Conventions 29 and 105). The use of physical or psychological force and verbal abuse is prohibited. Suppliers shall allow their workers the right to leave work and freely terminate their employment provided that workers give reasonable notice to the employer.

8. Legally binding employment relationship

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 arrangements or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Younger workers shall be given the opportunity to participate in education and training programmes.

5.2 TRANSPARENCY

Transparency on production locations

Suppliers shall not assign any work to subcontractors without authorization of 10DAYS. Any subcontractors/production locations should be known and should guarantee 10DAYS access for auditing purposes. 10DAYS reserves the right to make unannounced visits, at any time, to all units producing goods or raw materials for 10DAYS. 10DAYS also reserves the right to appoint any independent 3rd party of our choice to conduct audits in order to evaluate compliance with our COC.

1. Homeworkers

10DAYS does not approve the use of homeworkers. Suppliers shall not involve homeworkers in their supply chain and shall give transparency about all production locations and working conditions to 10DAYS. This COC applies to any party involved in the supply chain.

2. Corruption

Suppliers shall carry out their activities in an honest, upright and transparent way. Suppliers shall not offer, grant request or accept any gifts or donations. And shall not manipulate or influence their workers, nor shall they forge any files or records in order to alter the verification process regarding compliance with this COC. Suppliers shall neither offer nor accept remuneration of any kind which seeks or may be perceived to seek, to affect the impartial judgement or the objectivity of such parties appointed by 10DAYS to carry out inspections and compliance audits in connection with this COC.

5.3 PROTECTION OF THE ENVIRONMENT

Suppliers observe this principle when they take the necessary measures to avoid environmental degradation, without prejudice to specific expectations to set out in this chapter.

Suppliers should assess significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility. They will see to implement adequate measures to prevent or minimise adverse effects on the community, natural resources and the overall environment.

Use of sustainable raw materials / animal welfare

10DAYS is interested in using more sustainable fabrics in their collections. We are looking into the possibilities of making fabrics and/or trimmings, labels, hangtags of recycled material and aim to use mostly organic resources for natural materials.

When any of the following more sustainable fabrics are requested, a certificate needs to be included, confirming our production orders are made of these yarns. The certificates should latest be send to our PD department, together with the shipment sample. Examples of certified materials that 10DAYS is interested in, are (amongst others): organic cotton (certified by GOTS or OCS), recycled cotton (certified by GRS or RCS), Ecovero, Viscose and Tencel (certified by Lenzing), muellesing-free wool, responsible wool (certified by RWS), recycled wool (certified by GRS), organic wool (certified by GOTS), recycled polyamide (certified by Econyl), responsible down (certified by RDS, Downpass or NSF), recycled polyester (certified by SCS).

The raw materials of our products are produced in an animal-friendly manner. If the supplier cannot ensure the material comes from an animal friendly source, we prefer not to use it.

In the EU, animals are considered to be sentient beings. The Dutch Animals Act states that an animal has intrinsic value (Section 1.3) and that animals must be treated with respect. The act therefore lays down rules for handling animals. The international dialogue on animal welfare is based on the Five Freedoms. These state that animals must be:

1. Free from thirst, hunger and incorrect feeding by ready access to fresh water and a diet to maintain good health and vigour;
2. Free from physical and thermal discomfort by providing an appropriate environment including shelter and a comfortable resting area;
3. Free from pain, injury or disease by prevention or rapid diagnosis and treatment;

4. Free from fear and chronic stress by ensuring conditions and treatment which avoid mental suffering;
5. Free to express their natural behaviour by providing sufficient space, proper facilities and company of the animal's own kind.

Banned materials

10DAYS does not use products from exotic animals or endangered species:

- Exotic animals/products include, but are not limited to, alligator, crocodile, lizard, marine mammals, ostrich, freshwater pearls mussel and snake.
- Vulnerable or endangered species as classified in the lists of endangered species from CITES3 and the IUCN4. See <http://checklist.cites.org/> and <http://www.iucnredlist.org/>

The following materials are banned or permitted under certain conditions

Banned materials:

- Fur from any type of animal including, but not limited to mink, coyote, sable, fox, muskrat, rabbit, raccoon, cat and dog fur.
- Products made from materials obtained from live, new-born or aborted animals.
- Leather from horses and from other domesticated animals (e.g., dogs, cats).
- Feathers or down obtained through live-plucking.
- Feathers as a by-product of fowl raised to produce foie-gras.
- Ostrich, peacock or marabou feathers.
- Any kind of rabbit hair including angora.
- Sheep wool from animals on which mulesing is performed.
- Wool from new-born animals or aborted animals (e.g., karakul).
- Hair harvested by live plucking.

Permitted under certain conditions:

- Synthetic materials intended to look like fur. To avoid confusion, the label on the product should make clear that synthetic materials were used.
- Leather and skins from buffalo, cow, goat, lamb, pig, sheep and yak. These leather and skins must only be products from farm animals that have been bred for meat production i.e., a by-product of the meat industry.
- Down obtained after slaughter and from animals that have been treated ethically
- The use of Responsible Down Standard (RDS) certified down or Global Traceable Down Standard (TDS) certified down is strongly recommended.

- Cashmere and mohair from livestock/farming animals that are treated ethically.
- Hair from living and domesticated animals including but not limited to alpaca (Vicugna Pacos), buffalo, camel, cow, goat, llama, pig and yak.

Viscose

Viscose used in our products should be ethically sourced and not come from endangered forests. Therefore, we recommend to use FSC certified viscose.

Chemicals, water pollution and waste management

All garments must comply to European Legislation on Environmental and Chemical compliance. Textiles are tested based on the European REACH system (Registration, Evaluation and Authorization of Chemicals). REACH encompasses registered chemicals that up to a specific level (limit) are not allowed to be found in a final product that is put on the market. Garments need to be tested at all times by international accredited testing labs to check if they comply with REACH before being traded on the market.

Supplier must ensure the quality of the discharged water meets the parameters as stipulated in local and national regulations and/or in the water discharge permit. To achieve this, the quality of the discharged water must be monitored through periodic testing.

The frequency of testing must at a minimum meet the legal requirements. Quality and quantity of wastewater must be monitored at the suppliers. The supplier should set targets to improve the quality and reduce the quantities of discharged water. There should be a procedure in place for how to handle in case the discharged water does not meet the quality requirements. Relevant employees must be trained in this procedure.

Our suppliers must segregate different waste streams (textile, paper, glass, plastic, metals, wood/pallets, and hazardous waste) at a minimum in accordance with local and national regulations. Supplier should stimulate the contractor to find recycling opportunities for the waste streams. Supplier commits to monitor the volumes and types of waste produced on site and set targets to reduce the amount of waste.

If you have any comments on this COC or you would like to report a violation of this COC, please do not hesitate to contact: 10DAYS, Toetsenbordweg 24-2, 1033 MZ Amsterdam The Netherlands. Phone: (+31) (0)20-4930080, E-mail: info@10days.nl

5.4 BUYER'S COMMITMENT

We, the buyer, are committed to supporting our suppliers to meet the required labour right standards by:

- Continuously working to improve our policies and practice to enable our suppliers to be able to meet their commitments as outlined in this code of conduct;
- Treating suppliers with respect and consideration in all our dealings and communications;
- Communicating clearly, promptly and accurately on all issues concerning orders;
- Never negotiating a price that is below the cost of production, as this will impact on the wages and working conditions of workers;
- Staying with our current supplier if a higher price will ensure decent wages and working conditions for workers, rather than moving our business elsewhere purely on the basis of price;
- Placing orders with lead times that do not trigger excessive working hours or sub-contracting;
- Refraining from changing orders repeatedly and with short notice. If changes are unavoidable, amending target delivery times accordingly;
- Providing material and practical support to our suppliers in striving to meet their obligations under this code of conduct;
- Taking pay and working conditions of workers into consideration when reviewing our business relationship, rather than ending a business relationship purely on the grounds of price or quality.