



Supplier Code of Conduct Agreement

Updated: February 27, 2018

BUSINESS PRACTICES

All DAKINE supplier partners must be ethical in their business practices. Suppliers must fully comply with all applicable laws, regulations and rules, of the countries in which they are located relating to wages, hours, employment, labor, health and safety, the environment, and immigration.

Supplier must refrain from offering or accepting bribes or kickbacks in any form directly or indirectly to or from our representatives, government officials, or suppliers in connection with us or our products.

SUBCONTRACTORS

Suppliers will not use subcontractors without DAKINE's written approval. To do so, Supplier will provide DAKINE with 6 weeks written notice of all intended subcontractors. DAKINE reserves the right to inspect any contract supplier prior to any production. Subcontractor will also be expected to agree to these Compliance Principles. Suppliers will not use out-of-house piece work.

NON-DISCRIMINATION

No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, or other status of the individual unrelated to the ability to perform the job.

Pregnancy tests will not be a condition of employment, nor will they be demanded of employees. Workers who take maternity leave (of a duration determined by local and national laws) will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former or comparable employment at the same rate of pay and benefits. Workers will not be forced or pressured to use contraception.

CHILD LABOR

Supplier must only employ people who (a) meet the local legal minimum age for employment, (b) meet the age for completing compulsory education in the country of manufacture, or (c) are at least 15 years old, whichever is higher.

WORKER HOURS

Supplier's regular work week should not exceed 48 hours, with any additional overtime compensated at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours. Employees must be informed at the time of hiring if mandatory overtime is a condition of employment. All employees will be entitled to at least one day off in every seven-day period.

COMPENSATION

Employers must compensate their employees fairly by providing compensation packages comprised of wages and benefits that, at the very least, comply with legally mandated minimum standards or the prevailing industry wage, whichever is higher. Employees must be fully compensated for overtime according to local law and each employee must be provided with a clear, written accounting for each pay period.

HARASSMENT AND ABUSE

Supplier must treat every employee with respect and dignity. Supplier must ensure that the work environment is safe from any physical, sexual, psychological or verbal harassment or abuse subjected by anyone on premises.

COLLECTIVE ASSOCIATION

Supplier must recognize and respect the right of employees to associate, organize and bargain collectively in a lawful and peaceful manner without penalty or interference. In regions where this right is restricted under law, the employer shall support and recognize the development of a legal means for collective employee association.

HEATH AND SAFETY

Supplier must provide employees with clean, safe, well-lit and ventilated, and generally healthy work environment.

Employers should engage in regular emergency training drills and continually improve systems and facilities to ensure safe exit for all employees. At a minimum, facilities are required to comply with all applicable, legally mandated standards for workplace health and safety in the countries and communities in which they operate.

WORKER RESIDENCE

All on-site employee facilities and dormitories must meet the same Health and Safety standards (above) and comply with all laws and regulations within the country they operate.

INFORMED WORKERS

Supplier must clearly communicate employee rights and workplace standards orally and through the posting of standards in a prominent place. Supplier must undertake these efforts on a regular basis.

ENVIRONMENT

Suppliers should have policies and procedures documented in writing and implemented to ensure environmental impacts are minimized with respect to energy, air emissions, water, waste, hazardous materials and other significant environmental risks. At a minimum, Suppliers must comply with all laws and regulations relating to environmental protection in the countries in which they operate.

Suppliers are encouraged to work with DAKINE to constantly improve their environmental impact and require the same of their suppliers and subcontractors.

MATERIALS

Suppliers will not use chemicals or materials containing chemicals found on our Restricted Substances List (RSL). All materials must also be REACH compliant.

MONITORING & COMPLIANCE

Supplier must provide DAKINE representatives with unrestricted access, without advance notice, to all factory premises and employees as well as to all documents (including payroll) relevant in determining whether it is in compliance with these Standards and all applicable laws and regulations.