



Supplier Code of Conduct

Overview

In alignment with our mission to create high-quality, sustainably minded, feel-good favorites that bring joy to our customers, and as a part of our ongoing sustainability efforts, we have developed the Faherty Brand Supplier Code of Conduct (“the Code”) to ensure that all of our business partners, suppliers, and manufacturers meet our basic expectations of doing business related to:

- [Labor Standards](#)
- [Health and Safety Standards](#)
- [Environmental Standards](#)
- [Animal Welfare Standards](#)
- [Ethical Business Standards](#)

These standards are based on recognized international standards including the Fair Labor Association, International Labor Organization, United Nations Universal Declaration of Human Rights, and industry best practices.

Compliance with these standards is an expectation of doing business with Faherty Brand as the Code defines non-negotiable minimum standards that we ask our suppliers and their suppliers or subcontractors (collectively referred to here as Supplier(s)) to respect and adhere to.

Faherty Brand seeks to develop and strengthen partnerships based on a shared commitment of transparency, collaboration, and mutual respect. We recognize that our suppliers are independent businesses. However, the actions of our business partners are intricately connected to Faherty Brand and can affect not only our reputation, but the level of trust we have worked hard to earn from partners, customers, and the industry. While Faherty Brand appreciates that our suppliers operate in a variety of different legal, geographical, and cultural environments we expect all Suppliers to comply with the Code. Further, we encourage our Suppliers to strive for an even higher level of performance than the minimum requirements outlined in the Code.

The standards of this Code are in addition to, and not in lieu of, the provisions of any legal agreement or contract between a Supplier and Faherty Brand. If Suppliers have agreed to stricter or more detailed requirements than the Code, then we expect them to meet those contractual requirements.

In addition to the Code, Suppliers are expected to comply with all legal requirements applicable to each manufacturing site. In cases where those legal requirements are

similar to the standards in the Code, the provisions that are most in favor of the workers and the environment/community shall be met.

Labor Standards

Although we are not a member of the Fair Labor Association (FLA), we have adopted the [Fair Labor Association Workplace Code of Conduct](http://www.fairlabor.org). Please visit the website at www.fairlabor.org for translations and updates. The current version will supersede this reference.

Employment Relationships

Employers shall adopt and adhere to rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

Nondiscrimination

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 or ethnic origin.

Harassment or Abuse

Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse.

Forced Labor

There shall be no use of forced labor, including prison labor, indentured labor, bonded labor or other forms of forced labor.

Child Labor

No person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher.

Freedom of Association and Collective Bargaining

Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

Health and Safety Standards

Employers shall provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employers' facilities.

Hours of Work

Employers shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Employers shall allow workers at least 24 consecutive

hours of rest in every seven-day period. All overtime work shall be consensual. Employers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

Compensation

Employers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any benefits required by law or contract. Every worker has a right to compensation for a regular work week that is sufficient to meet the worker's basic needs and provide some discretionary income, and in cases where compensation does not meet this expectation, employers shall take appropriate actions that seek to progressively realize a level of compensation that does.

Environmental Standards

Environmental Management Systems

Suppliers shall maintain written environmental management policies, comply with all applicable legal environmental requirements, and demonstrate continuous improvement of its environmental performance.

Environmental Permits & Reporting

Suppliers shall obtain, keep current, and follow the reporting guidelines of all applicable environmental permits and registrations.

Resource Consumption, Pollution Prevention, & Waste Minimization

Suppliers shall optimize consumption of natural resources, including energy and water. Suppliers shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment, to prevent pollution and minimize generation of solid waste, wastewater, and air emissions. Prior to discharge or disposal, suppliers shall characterize and treat wastewater, air emissions, and solid waste appropriately and according to applicable laws and regulations.

Chemicals Management

Suppliers shall identify and then eliminate or safely manage all types of chemical substances that are hazardous or potentially hazardous to humans or the environment.

Monitoring & Reporting

Suppliers shall work to continuously monitor and disclose their energy and natural resource usage, emissions, discharges, inventory of greenhouse gases (GHG) emissions, and disposal of wastes.

Animal Welfare Standards

Humane Practices Towards Animals

Suppliers shall commit to principles, practices, and regulations that require animals in the supply chain to be treated with care and respect.

Animal Abuse

There shall be no animal abuse or neglect.

Five Domains of Animal Welfare

The internationally accepted [Five Domains](#) model shall be applied to animals in the supply chain as way to assess and strive for positive animal welfare outcomes. The Five Domains are:

- Nutrition
- Environment
- Health
- Behavioral interactions
- Mental state

Ethical Business Standards

Compliance with the Law

Suppliers' business activities shall comply with all applicable laws and regulations in the countries and jurisdictions in which they operate. This Code applies to activities in the locations where suppliers' goods are produced, where any related services are performed, and where the goods enter the supply chain.

Subcontracting

Suppliers may only subcontract to previously approved suppliers for manufacturing or services. All subcontracted suppliers must meet the same criteria as directly contracted suppliers and are required to sign the Faherty Brand Supplier Compliance Declaration provided in this document. Subcontracted suppliers include any additional manufacturing facilities, as well as garment process facilities such as; garment wash, dye, screen-printing and embroidery facilities.

Anti-Bribery

All forms of bribery, corruption, extortion, or embezzlement are prohibited. Suppliers shall implement adequate procedures to prevent bribery in all commercial dealings undertaken by the supplier.

Conflicts of Interest

Suppliers shall disclose any situation that may appear to be a conflict of interest including any personal or outside business arrangements between themselves and their employees, customers, customer's employees, or their families.

Intellectual Property

Suppliers respect the intellectual property rights of others, take appropriate steps to safeguard and maintain confidential and proprietary information or trade secrets of customers, and use such information only for the purposes authorized for use by each customer.