

NAFSI SUPPLIER CODE OF CONDUCT

NAFSI is a brand and creator of consciously designed and produced products that reflect an edgy, premium lifestyle. We are grateful for the people around the globe that support & inspire us to get us to where we are today— the least we can do is ensure everyone involved receives a healthy living wage, safe working conditions and the opportunity to grow individually and professionally. We are constantly looking for new ways to improve our impact on the environment and better our products. We know that knowledge inspires confidence, and we strive for full transparency when it comes to how our products are made, making you & the end consumer more connected to the final product.

The following supplier code of conduct outlines the minimum ethical and environmental standards that we require NAFSI suppliers to meet and maintain.

NAFSI'S PROMISE TO SUPPLIERS:

- Open & timely communication
- Transparency & due diligence of eco & social requirements
- Becoming a returning customer
- Referring new clients to help our suppliers grow
- Adhering to supplier's payment agreements & always paying on time

SUPPLIER RESPONSIBILITIES

Health & Safety

Our suppliers are expected to ensure that the workplace, machinery, equipment and processes are safe and without undue risk to health. Adequate measures of protection should be taken against any chemical, physical and biological substances and agents under the control of our suppliers. Employees should always have access to protective clothing and equipment to prevent risk of accidents or adverse effects on health.

Discrimination

Our suppliers must not discriminate in any way based on disability, HIV status, domestic circumstances, sex, sexual orientation, gender reassignment, race, color, language, religion, political, trade union or other opinion or belief, national or social origin, association with a minority, property, birth or other status that is unreciprocated or unwanted and that affects the dignity of men and women at work.

Wages & Compensation

Our suppliers are responsible for sharing all information regarding wages, benefits, working hours, overtime, payment schedules and other data and metrics on worker compensation with NAFSI. NAFSI will not set wages or implement any human resource-related programmes on behalf of suppliers, however we are happy to support the design of reforms if requested. Compensation paid by our suppliers to their employees must provide the means, through financial compensation and otherwise, to live with dignity and support one's family, taking into account the relative living standards in the area of work. NAFSI only works with suppliers that pay a decent living wage. The supplier should provide justification as to how this compensation supports a decent lifestyle for the worker and their family. In determining a 'decent wage', the following factors will be considered by NAFSI:

- Industry norms
- Level of skill
- Employment experience
- Average cost of living in the city/area
- Whether healthcare or social security benefits are provided
- In-kind payment, such as free lunch, worker lodging, or childcare that offset financial burdens.

Hours of Work & Overtime

The working hours of a supplier's wage employees shall not exceed the regular and overtime amount allowed for by the laws of the country where the workers are employed. The regular workweek shall not exceed 48 hours and employers must allow at least 24 consecutive hours of rest in a seven day period. Where persons are employed in shifts it shall be permissible to employ persons in excess of eight hours in any one day and forty-eight hours in any one week, if the average number of hours over a period of three weeks or less does not exceed eight per day and forty-eight per week. All overtime work must be consensual, and paid at the rate legally required in the country of manufacture, or, in those countries where such laws do not exist, at a rate exceeding the regular hourly compensation by at least 125%.

Benefits

Our suppliers must comply with all local laws mandating social security or insurance programmes for employees. Where no such programme exists, health insurance for the employee and at least two members of her/his family must be offered as either:

- a) a minimum of 4% of salary annually, paid to the employee on a monthly basis, or b) the payment of premiums on a health insurance programme that covers every employee equally (preferred).

NAFSI encourages all suppliers to offer options for contributing to life insurance and a retirement fund to all employees. Our suppliers must offer a minimum of 10 (ten) days paid annual leave to all employees, in addition to public holidays. A minimum of 5 (five) days paid sick leave must be provided to all employees, following which further leave must be provided upon receipt of a written and certified note from a doctor denoting a condition which requires absence from work. No pay should be withheld from an employee who is absent due to an injury sustained while on the job.

Child Labour

No person employed by our suppliers shall be at an age lower than the age of completion of compulsory schooling, or 15 years old, whichever is higher. Juvenile workers (15-17) are only permitted to be employed on a part-time or freelance basis, and must not be subjected to any work which presents risk to health and safety (ie: requiring protective equipment).

Forced Labour

Suppliers of NAFSI must not exact any benefit whatsoever, or employ any persons under forced or compulsory labour. The internationally agreed definition of 'forced or compulsory labour' is: "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily".

Harassment and Abuse in the Workplace

NAFSI believes in treating everyone involved in the creation of our products with respect and compassion, our suppliers should do the same. Our suppliers should not tolerate any form of harassment in the workplace, whether physical, emotional, sexual or otherwise. This applies to any relationship between management, employees, support staff, contractors or any other person performing duties for the employer.

Environment

NAFSI constantly seeks new ways to lessen our impact on the environment, and we expect cooperation from our suppliers in this regard. We believe in causing no unnecessary harm to the environment, and we are bound by our own values to follow any lead suggesting new or improved processes, materials, or ways of working that lessen our negative impact. Our suppliers must make themselves available to scrutiny on their energy consumption, waste management, and other areas of environmental impact, whether from NAFSI or an external audit. We believe in a bright future and are seeking to improve industry practices in the long-term, and are therefore committed to working with our suppliers to find new ways of working and new markets that are both profitable & sustainable.

Subcontracting

No subcontracting related to an order from NAFSI is permitted without prior written consent. Any subcontractor must apply the same rigorous standards as all suppliers, and the burden of proof in this regard is on the primary supplier. Any subcontracted entity may be subject to visits from NAFSI representatives. In the case of freelance subcontracting, the 'per garment' payment must be equal to the minimum hourly wage in the country, or the customary rate in the industry and region of work, whichever is higher.

Transparency and Traceability

One of the core promises of NAFSI to our customers, partners and suppliers, is transparency on how and where our products are made. Our goal is never to demand any private information, pry into the workings of a private business or violate any confidentiality agreements with other clients, but rather to ensure that we are fully aware of the environment in which our products are made. These products represent our livelihood and our promise to consumers, and therefore honesty and openness from our suppliers is essential. Our suppliers are required upon request to make available records of employment compensation, human resources including hiring and termination, legal compliance, and all other areas mentioned in this code. In the case of external audits, all results are confidential and will only be made public upon the agreement of the supplier.

Contact Information

For any questions relating to this Code of Conduct, please contact Founder & Head of Operations, Celine Hajjar at celine@nafsi.online

Supplier & NAFSI's Commitment:

(Name of supplier business) _____ agrees to comply with all of the guidelines included in this Code of Conduct. If any issues arise that may compromise our compliance with this code, we agree to contact NAFSI immediately.

Signed on (date) _____ by (print name) _____.

Signature

Accepted by (print name) _____ on behalf of NAFSI on _____.

Signature