

Code of Conduct

General Principles

This Code of Conduct reflects the values of BTX Group. This code of conduct is based on the Universal Declaration of Human Rights and key UN and ILO conventions. When signing this Code of Conduct we wish for our suppliers to commit to the same principles. Working to implement these principles is a long and challenging process. However, those suppliers who continuously pursue to implement these principles within their business, are those with whom we wish to build a business partnership. It is essential for BTX Group that suppliers show transparency and declare all production units to BTX Group upon request. In addition, this information should be updated on a regular basis. Transparency is essential for BTX Group in order to work towards a more sustainable supply chain. The requirements of this Code extend to all factories, used by BTX Group and all of their workers working within those factories, regardless of their status or relationship with suppliers. This Code therefore also applies to workers who are engaged informally, on short-term contracts or on a part-time basis. Where there are differences between the terms of this Code of Conduct and national laws or other applicable standards, suppliers shall adhere to the higher requirements. If conflicts between national law and this Code of Conduct are detected, suppliers must inform BTX Group immediately.

Managing supply chain

Suppliers should have proper management system to ensure that the principles of this Code of Conduct are not violated and that continuous improvements are implemented. Part of this, includes performing own risk assessments and self-assessments of all production units.

The BTX Group requirements

Human Rights and Labor Rights

Forced labor:

- Suppliers must not use forced, prisoned or illegal labor in any of our supplier's production units.
- Workers shall not have to leave any sort of deposit and/or ID/passport when hired by the factory.
- The worker shall always sign a contract upon beginning work at the factory. The contract shall be written in a language that the worker understands.
- The worker has the right to terminate the employment according to national law.
- Overtime should be voluntary at all times.
- Workers should have free access to toilets, water and praying rooms at all times if/when necessary.
- Suppliers must ensure that all feasible measures are taken to prevent workers from falling into debt bondage through company loans.

Freedom of Association:

- Suppliers should recognize the right of workers to join, form or not to join trade unions of their choice without fear of intimidation, reprisal or harassment;
- The supplier should engage in collective bargaining with legally recognized employee representative
- When law restricts unions, the supplier should encourage and not prevent the formation of worker committees, from which workers have the opportunity to, collectively express their grievances directly to the management.

Working hours and Compensation:

- Working hours should always be kept within the limits of national law but no higher than 60 hours per week, including overtime hours.
- Workers should have at least one rest day in a 7-days period.
- Workers should be free to refuse overtime without fearing contract termination or punishments.
- All national laws regarding compensation of workers, should be kept.
- Withholding of wages for any reason is not allowed.

- Workers should be given at least the national minimum wage, and this should be enough to meet the basic needs of the workers.
- Pay slips must always be signed and handed over to the respective worker.
- National law on social insurances must be kept at all times.

Discrimination and harassment:

- Workers shall never be discriminated against in relation to race, color, caste, nationality, religion, gender, age, sexual orientation or marital status.
- The supplier must ensure that policies are in place to prevent any form of harassment and discrimination in the factory.

Child labor and young workers:

- BTX Group Child Labor Policy should be signed upon beginning of cooperation and followed in cases where child labor is found in the supply chain.
- The supplier should have sufficient management systems in place to ensure that no children under 15 years of age are working in production units producing for BTX Group. If the law states a higher age, then this must be followed.
- Young workers under the age of 18 may only perform light work and only within normal working hours. Suppliers must comply with all local laws concerning young workers.
- Young workers must not be exposed to work that is harmful to their morals or health, dangerous to life, or likely to hamper their normal development.

Health and safety

Management system:

- The supplier should have sufficient management systems in place to ensure that health and safety of the workers are never compromised in any decisions taken.
- The supplier should conduct periodic risk assessments to ensure that all risks are managed and that there is no risk to human life or risks that can cause serious accidents.

Safety:

- The working environment should be safe, healthy and clean at all times and all working stations shall be provided with sufficient lighting.
- Relevant first aid equipment must be available and where legally required a doctor or nurse should be available during working hours.

Fire safety:

- All local laws regarding fire safety must be kept, and all facilities producing for BTX Group must as a minimum install adequate warning systems, fire safety equipment and well-marked exits and escape routes.
- Fire escapes should be clear for passage and must not be locked or blocked at any time
- Fire drills must be conducted on an annual basis.
- Suppliers shall ensure that safety precautions in regard to the use, storage and handling of chemicals are taken.
- Supplier shall ensure, that electrical installations are according to law and does not pose a risk to fire safety in the production facility.

Chemical handling:

- All chemicals and hazardous materials must be safely handled, transported and disposed of according to law.
- Workers should be trained in handling chemicals and should always be provided sufficient protective equipment when handling these.
- MSDS (Material Safety Data Sheet) should be provided for all chemicals on site.

Dormitories, kitchens and dining rooms:

- Dormitories must be placed in buildings separate to the production building
- Dormitories must have sufficient living and storage space for workers
- Workers must have easy access to food or sanitary food storage, clean water and toilet/bathing facilities
- Dormitories, Kitchens and Dining areas must take all required health and safety as well as fire safety precautions.

Environmental protection

- National environmental laws and regulations must be complied with at all times
- Water should be used responsibly, and disposal of wastewater should be according to the law.
- Suppliers should monitor all emissions that are produced during production and treated according to law.
- Solid waste should always be handled and disposed of in accordance to local law.

Chemicals

- Suppliers must comply with the latest version of BTX Group chemical Restrictions
- Suppliers must follow the requirements on documentation concerning Substances of Very High Concern (SVHC-list) in articles imported to the EU.

Anti-corruption

- Suppliers shall work against corruption in all forms.
- Suppliers should establish adequate processes to avoid corrupt practices. Such processes should support and be in line with the United Nations Convention against Corruption.

Animal Welfare

- BTX Group products derived from animals, should be produced with the highest regard to the welfare of the animals. Supplier should ensure that animals are treated according to animal welfare laws and international recommendations.
- BTX Group request all suppliers to sign our Animal welfare policy upon embarking on a business relationship with BTX Group. Hereby stating that the suppliers respects animal welfare and that they have the right policies in place to ensure animal welfare in the supply chain.

Monitoring and evaluation

Suppliers must assign responsibility to one or more management representatives with the responsibility and authority to ensure compliance with this Code of Conduct.

All production units shall be open to audits at any time if requested by BTX Group. In the case where we require an audit of the facility, we may be represented by an independent third-party auditing company of our choice.

Suppliers shall maintain appropriate records to demonstrate compliance with the requirements of this Code of Conduct. Records shall be available to BTX Group upon request.

Where instances of non-compliance are detected during supplier visits, suppliers will be given a fixed period to remediate the findings. In the event of failure to remediate, BTX Group is willing to engage in a constructive dialogue with suppliers to develop and implement action plans with appropriate time scales for implementation and improvements to be achieved.