



## TAMGA Designs Supplier Code of Conduct

### TAMGA Designs Mission & Vision

TAMGA Designs is a creator of consciously designed and produced products that reflect a **global** and **travel-inspired** lifestyle. We combine unique designs from countries around the world with modern style that makes you feel **confident** and **connected** to what you're wearing. We are grateful to the people all over the world who help us create our goods – so we make sure they receive a living wage, safe working conditions and the opportunity to grow individually and professionally. We constantly seek new ways to lessen our impact on the environment and improve our products because we believe in a **bright future**. We know that **knowledge** inspires **confidence**, and we strive for full transparency about how and where our products are made, so you can feel more connected to your threads.

### TAMGA Designs Core Values:

1. Challenge ourselves to constantly improve our products and lessen our environmental footprint;
2. Treat everyone with respect, compassion, and an open mind;
3. Be accountable to those who help us create.

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

### Our Promise to Suppliers:

- Open and timely communication;
- Payment on time;
- Transparency;
- Supporting improvement, not pointing fingers for shortfalls;
- Referring new clients – we aim to help our suppliers grow;
- Due diligence on eco and social requirements – we promise to always do our homework;
- Support in positioning to new ethical and sustainable markets.

## Supplier Responsibilities:

### Law and Code Compliance

It is expected that TAMGA Designs suppliers comply with all national laws and regulations as a minimum, even when that minimum may exceed the conditions set forth in this code of conduct. In other cases, all suppliers must comply with all the provisions set forth in this code to maintain a business relationship with TAMGA Designs.

### Employment Relationship<sup>1</sup>

Our suppliers are expected to understand and abide by local laws and regulations on the determination of an employment relationship (*in Indonesia there is no clear distinction between an independent contractor and an employee*). The main purpose of this requirement is to protect against contractors being used for central and regular tasks of the business, but remaining outside the scope of job security and/or employee benefits. If there is insufficient policy guidance towards determining who is an employee and who is a contractor, suppliers must have a clear rationale for making the determination.

Suppliers can request TAMGA designs for assistance in developing a relevant policy, and/or can use some of the following criteria (if the answer to most of these questions is *yes*, the worker is likely an 'employee' and deserving of the corresponding benefits).

- Is there a written agreement of employment that is not fixed term?
- Does the work performed involve tasks which require the integration of the worker into the management structure of your organization?
- Is the work carried out within specific working hours or at a workplace provided by your organization?
- Has the worker been on fixed term contract(s) for more than 3 years successively?
- Does the work involve the provision of tools, materials, and machinery by your organization?
- Is the worker paid on a regular schedule, regardless of performance?
- Does the worker receive payment in kind, such as food, lodging or transport?
- Has the worker taken on any financial risk in working for your organization?

### Health & Safety <sup>2</sup>

Our suppliers are expected to ensure that the workplaces, machinery, equipment and processes under their control 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.

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<sup>1</sup> ILO Recommendation number 198 concerning the employment relationship

<sup>2</sup> ILO Convention 155 - Article 16

## **Wages and Compensation <sup>3</sup>**

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 TAMGA Designs. TAMGA Designs 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. TAMGA Designs 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 TAMGA Designs:

- 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 <sup>4</sup>**

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

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<sup>3</sup> ILO Convention 131 Article 3

<sup>4</sup> ILO Convention 1 Article 2; ILO Convention 1 Article 5; ILO Convention 30 Article 2

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). TAMGA Designs 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.

### **Training and Growth <sup>5</sup>**

TAMGA Designs challenges itself to be accountable to all who help us create, and to constantly improve our product. We recognize that proper training and growth opportunities for our employees are essential in creating a sustainable and valuable company. Our suppliers must ensure that relevant training is provided for all levels of employees to meet the needs of their work, and to develop skills for improved productivity and career growth.

### **Freedom of Association and Collective Bargaining <sup>6</sup>**

All workers and employees of our suppliers must have the right to establish and join workers' organizations of their choosing without previous authorization. Suppliers must recognize the right of employees to collective bargaining.

### **Child Labour <sup>7</sup>**

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 <sup>8</sup>**

Suppliers of TAMGA Designs 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

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<sup>5</sup> ILO Conclusions on Skills for Improved Productivity, Employment Growth and Development: 2008

<sup>6</sup> ILO Convention 87 Article 2

<sup>7</sup> ILO Convention 138 Article 2; ILO Convention 138 Article 3

<sup>8</sup> ILO Convention 29 Article 2

person under the menace of any penalty and for which the said person has not offered himself voluntarily”.

## **Harassment and Abuse in the Workplace <sup>9</sup>**

TAMGA Designs 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.

## **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.

## **Environment**

TAMGA Designs 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 TAMGA Designs 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 and sustainable.

## **Subcontracting**

No subcontracting related to an order from TAMGA Designs 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 TAMGA Designs representatives. In the case of freelance subcontracting, the ‘per garment’ payment

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<sup>9</sup> Quick fact - A recent study conducted by Tufts University United States of America and University of Indonesia found that 85 percent of Better Work Indonesia beneficiaries are concerned about sexual harassment. A further 80 percent of respondents said they were concerned about verbal abuse, and 87 percent cited concerns about physical abuse.

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 TAMGA Designs 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 feel free to contact Operations Director Eric Dales at [eric@tamgadesigns.com](mailto:eric@tamgadesigns.com). We look forward to hearing from you.

### **Supplier-TAMGA 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 TAMGA Designs immediately. Signed on *(date)* \_\_\_\_\_ by *(print name)* \_\_\_\_\_.

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### **Signature**

Accepted by *(print name)* \_\_\_\_\_ on behalf of TAMGA Designs Inc. on *(date)* \_\_\_\_\_.

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### **Signature**

***THANK YOU FOR WORKING WITH TAMGA DESIGNS!***