



SPECIFICATIONS

SUPPLIER'S CODE OF CONDUCT

pimkie[®]

PREAMBLE

For the purpose of this Code of Conduct, the term “business partner” will mean any enterprise that provides PIMKIE with the final product or with materials or products used in the final product, which performs work or provides services.

This Code of Conduct should in no way be regarded as substitution or replacement of national, international laws or institutions but acts as a regulation imposed by PIMKIE.

PIMKIE aims at maintaining a standard of excellence in every aspect of the business, including legal, ethical and responsible conducts in all our operations. PIMKIE expects these commitments to be shared by all business partners that are affiliated with the manufacturing process of PIMKIE’s goods (our suppliers have to cascade these requirements to their own suppliers, they also need to make sure that their suppliers are respecting these requirements).

PIMKIE commits itself to the basic principles of human rights, to the respect for human dignity as they are laid down in the International Bill of Human Rights (UNDHR, Civil and Social Covenant) and the Conventions of the International Labour Organization (ILO) and the basic principles of environmental protection. National legal regulations which are more stringent than this standard do apply in all cases.

In this document you'll find the Code of Conducts you have to comply with to work with PIMKIE.

ILO Rules : For detailed information please visit following website :

- <http://www.ilo.org/global/standards/lang--en/index.htm>

OECD guiding principles : PIMKIE, as a French company, has to respect them, for further information :

- <http://www.oecd.org/daf/inv/mne/oecdguidelinesformultinationalenterprises.htm>

PIMKIE recognizes the principle of the right for every single worker to be paid the living wage, it means a wage that:

- applies to all workers
- is reached within the standard working week, which is in no case more than 48 hours
- is a basic take-home wage before benefits, bonuses or overtime pay
- covers the basic needs of the worker and his/her family, where a family is 3 consumption units (a child counts as half a consumption unit)
- provides some discretionary income of at least 10% of the amount needed to cover basic needs.

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I - GENERAL OBLIGATIONS OF BUSINESS PARTNERS

A - Commitment

Business Partners must sign the Code of Conduct as part of their contracts with PIMKIE. Suppliers must inform the factories producing for PIMKIE to distribute and communicate the Code of Conduct to all workers in their language.

PIMKIE wants to cultivate a long-term relationship with the business partners.

B - Subcontractors

Business partners must not subcontract any portion of the manufacturing process without prior written approval from PIMKIE, this also includes home workers. As a condition for approval, subcontractors shall agree to comply with the Code of Conduct and need to disclose full name and address. PIMKIE reserves the right to control the subcontracting factory at any time either directly or via a nominated partner. All connected costs will be taken over by the business partner.

C - Information and communication

Business partners must post the Code of Conduct, which is translated into the language of the worker, freely accessible in all major workplaces and to the knowledge of all workers. The business partner must train workers on their rights and obligations as defined by this Code of Conduct and all applicable local laws.

D - Management and reporting

Business partners must appoint persons who are responsible for the implementation and maintenance of the Code of Conduct and must name these persons as contact persons to PIMKIE, which must be able to report about their level of compliance with the Code of Conduct.

E - Legal compliance

Business partners of PIMKIE shall comply fully with all national legal regulations, specifically labour and social laws. In addition, all business partners shall obey the details of this Code of Conduct as it is based on the ILO Regulations, whichever is more stringent.

F - Transparency

Business partners shall maintain complete and accurate records and information so that compliance can be effectively assessed. Factories are obliged to disclose all necessary documents to PIMKIE Audit. All business partners are obliged to give full information on the places of production for PIMKIE products which means the name and address of the factory which is producing for PIMKIE.

G - Control

For the purpose of controlling performance and timely progress in development, PIMKIE or an authorized third party may audit at any time and without further notice.

PIMKIE will reserve the right to terminate business relationships whenever serious breaches of basic human rights, wilful violations of the standard or systematic forgery and/or persistent lack of cooperation are found.

H - Development

It is expected that the factories fully cooperate during control visits and that they dedicate convincing efforts to the goal of improving their social performance and improve violations of the Code of Conduct.

II - GUIDING PRINCIPLES FOR FACTORY OPERATIONS

A - Working atmosphere

The business partner commits themselves to enabling their workers' decent working conditions. Any kind of corporal punishment, psychological, physical, sexual or verbal harassment and abuse, and any other form of intimidation is prohibited. Disciplinary measures in case of misconduct of workers are in line with national law and internationally recognized human rights and are in no case degrading or inflicting monetary penalties. No arbitrary punishment in case of workers disease or pregnancy is allowed.

B - No child labour

According to the principles and recommendations listed in the Child Welfare International Agreement, PIMKIE acknowledges the right of each child to be protected against commercial exploitation and that they are not submitted to working conditions compromising their physical, mental or moral development.

Regulations for the protection of young workers are followed and they are subject to particular protection by the business partner. Young persons under 18 (and above 15, ILO 138) shall not be employed at night, in hazardous conditions or work overtime.

Child labour is forbidden as defined by ILO and UN conventions and/or by national law. PIMKIE refers to ILO conventions 138, 182 and ILO recommendations 146 & 190 which are the following:

- *Convention concerning Minimum Age for Admission to Employment (ILO 138)*
- *Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (ILO 182)*
- *Recommendations concerning Minimum Age for Admission to Employment and concerning the prohibition (ILO Rec. 146)*
- *Recommendation concerning immediate action for the elimination of the worst forms of child labour (ILO Rec. 190)*

C - Health and Safety at work

The workplace must not be harmful to workers' health and safety. A safe and hygienic working environment is provided and has to be maintained, thus :

- building used must have been designed for industrial use and / or permit of use must have been fully given by the local authorities
- Occupational health and safety practices and PPE must be promoted and provided, which prevent accidents and injuries in the course of work or as a result of the operation of employer facilities.
- Workers must be trained on a regular basis to understand and follow the necessary protective and safety procedures. Evacuation exercises must be conducted on a regular basis.

- Evacuation plans must be clear, corresponding to the floor and displayed in sufficient number
- Emergency exits must be clearly indicated, never be obstructed (even partially or temporarily) and their doors must open outwards.
- Meeting points must be clearly indicated and must make the easy evacuation possible.
- Fire alarms, smoke detectors, fire extinguishers and emergency lights (battery operated) must be in sufficient number and must be controlled regularly to make sure they are properly working.
- Staff members of each department must be trained in the basics of first aid.

Business partners must :

- conduct regular health examinations by a doctor
- provide first aid boxes and make sure they are always adequately filled visible and easily accessible
- indicate next to the first aid boxes the procedure in case of accident, the names of rescuers and telephone number of the nearest hospital
- make quickly recognizable skilled rescuers (wearing an armband for example)

For chemical substances, business partner must :

- Establish appropriate procedures for handling chemicals
- clearly indicate by signs the presence and type of chemicals
- Display security data sheets in storage and use rooms of chemicals so that workers know the risks of the products they use and can adopt good behaviour
- isolate the storage areas and manipulation from other parts of the plant
- provide training to workers on the chemical manipulation and provide adequate personal protective equipments
- Keep available a material safety data sheet (MSDS) in local language and instructions of MSDS must be followed.
- Keep chemicals safely stored and labelled properly.
- ensure good ventilation and air exchange to reduce the risk
- Use secondary containers for storage of chemicals.

(ILO 155 & 164)

D - Legal working hours

Working hours are set and planned in accordance with local law and regulations. Workers will not work more than 48 hours in a regular working week. Overtime only occurs occasionally, voluntary and does not exceed 12 hours per week on a regular basis and will be compensated. All workers will take and be granted at least 24 hours off after 6 consecutive days of work. (ILO 1)

E - Fair and legal compensation

PIMKIE business partners must comply with all the applicable laws and regulations relating to wages and benefits.

Workers shall be paid at least the legal minimum wages or a wage that is consistent with prevailing local industry standards; whichever is higher.

Workers must be paid wages for regular working hours, overtime work shall be compensated at the premium rate as legally required and workers must be given a pay-slip.

Compensation is at least provided monthly and without illegal and inappropriate deductions or penalties.

Business partners shall not use monetary fines as a disciplinary practice. Workers are provided with annual paid leave, insurances and statutory holidays as defined by national law. (ILO 131)

F - Legal employment

Employment in the factory is based on a formal document such as a working contract or letter of appointment. This document details the terms and conditions of employment including wages, period of payment, benefits, leave entitlement and provisions for the termination of employment as defined by national law. All workers must be registered.

G - No forced labour

PIMKIE business partners must not use any type of forced, bonded, compulsory or prison labour. Business partners must ensure that all employment is voluntary, free from violence or threats. There shall be no restriction on movement or withholding of personal documents. No measures may be undertaken whereby workers are prevented from leaving the business partner or the production plant as laid out in their working contracts and in national law. Legally inadmissible disciplinary measures are prohibited. If the business partner uses external recruiting agents, the business partner shall pay all related fees. (ILO 29 & 105)

H - Non-discrimination

PIMKIE business partners must not discriminate in employment practices including recruitment, hiring, compensation, training, benefits, advancement, termination or retirement on the basis of race, color, ancestry, national or social origin, religion, marital status, age, sexual orientation, gender identity or expression, disability, political opinion or any other personal characteristics or beliefs. Any distinctions in treatment, especially with regard to payment, are solely based on skills and working experience.

About Pregnancy :

- Tests shall not be a condition of employment and shall not be demanded. Workers shall not be forced or pressured to use contraception.
- If required by national law, the business partner must provide appropriate services to women workers in connection with pregnancy, childbirth and nursing.
- If the business partner allows women to bring their baby/child, a dedicated accommodation and adequate service needs to be provided as children are not allowed on the production floor.
- On production of a medical certificate or other appropriate certification, as determined by national law and practice, stating the presumed date of childbirth, a woman shall be entitled to a period of maternity leave of not less than 14 weeks.
- With due regard to the protection of the health of the mother and that of the child, maternity leave shall include a period of six weeks' compulsory leave after childbirth, unless otherwise agreed at the national level by the government and the representative organizations of employers and workers.
- The prenatal portion of maternity leave shall be extended by any period elapsing between the presumed date of childbirth and the actual date of childbirth, without reduction in any compulsory portion of postnatal leave.
- On production of a medical certificate, leave shall be provided before or after the maternity leave period in the case of illness, complications or risk of complications arising out of pregnancy or childbirth. The nature and the maximum duration of such leave may be specified in accordance with national law and practice.
- Workers taking maternity leave shall be entitled to return to their employment with same terms and conditions that applied prior leaving.

(ILO 100, 111, 156 & 183)

I - Freedom of association

It is the right of workers to set up or join workers' organisations of their own choice (including unions) for collective bargaining.

When the right to freedom of association and collective bargaining is restricted by national law then workers shall be allowed to form bodies for the representation of their interest and to enter into direct dialogue with their employer (parallel means).

The business partner ensures that employee representatives have free access to all workplaces to carry out their representation functions and are no subject to discrimination.

(ILO 87, 98, 135, 154)

J - Migrant workers

Migrant workers should be considered as workers in their own rights

Migrant workers and members of their families who are in the territory should enjoy effective equality of opportunity and treatment with nationals

This equality is manifested in terms of - especially and without completeness- remuneration, working hours, working conditions, membership in the employee representative organizations, living conditions.

(ILO 97 & 151)

III - ENVIRONMENTAL STANDARDS IN PRODUCTION

Preserving the natural principle of life is fundamental and basis for a successful economic activity in the future. The environment is an increasing global concern. Therefore PIMKIE expects their business partners to act responsibly in this respect, especially :

- *Procedures for handling waste and chemicals, as well as other dangerous materials, emissions and effluent treatments must be in line with legal requirements.*
- *Take into account during manufacturing waste recycling and any steps to reduce the use of natural resources, polluting energy and chemicals harmful to the environment.*
- *A non-treated water discharge into the environment is prohibited. This water must be retreated according to the standards. If local standards are deemed insufficient by Pimkie an improvement process will be initiated to achieve international standards.*
- *The waste will require restatement to their nature, the recycling to be privileged, incineration, storage or burial to be used as a last resort.*

(ILO 170)

IV - SPECIFIC OBLIGATIONS

A - Merino Wool / Mulesing

Mulesing is a painful procedure that is performed on merino sheep. It aims at reducing the risk of infestation by the blowfly. More animal-friendly alternatives to this procedure are already available but these are still under development and need to be pursued more vigorously.

PIMKIE has decided to direct their orders for merino wool toward suppliers who can demonstrate that this practice has not been applied.

B - Angora

Because of the controversy related to the harvesting of hair, Pimkie commits not to using Angora material in any of its products.

C - Fur

Linked to the respect of animals, Pimkie commits not to using real fur in any of its products

D - Sandblasting

Sandblasting technique is a textile finishing process that is primarily used to achieve a worn look for denim. The method involves sand particles being applied to garments under high pressure which endangers the health of employees when done without adequate personal protective equipment.

To ensure the well-being of the workers who manufacture PIMKIE products, the use of sandblasting technique is therefore banned for all products completely. This ban not only includes the blasting with sand but also similar material such as aluminium oxide, aluminium silicate, silicon carbide and copper slag.

E - North Korea

PIMKIE has decided to not source in this area and to not build up relations to North Korean suppliers.

F - Uzbek Cotton

Uzbekistan is one of the largest exporters of cotton in the world. But while the country is at the forefront of global cotton production, its human rights and environmental record present severe issues such as forced child labour, human rights violations, excessive pesticide use, the draining of the Aral sea and severe poverty.

As PIMKIE strives for coherent and stringent social compliance policy, PIMKIE bans the use of Uzbek cotton.

V - SUPPLIER'S COMMITMENT

Nota Bene : a French version of this document is available and can be sent to you free on request.
By signing the present document, the suppliers commit themselves to fully comply with this Code of conduct.

Therefore, please return to PIMKIE the present "PIMKIE supplier's Code of Conduct" **signed, dated and stamped, each page initialed** and please fill up the below attestation.

I, the undersigned

.....
(Given Name) (Family Name)

Function:

.....
legal representative of the hereafter company

.....
got acquainted with PIMKIE supplier's Code of conduct and confirm that all the products sold to PIMKIE are in accordance with this document.
In any case of failure, the company I represent will be blamed for the entire consequences related to this failure and will take care of all the damages of any kind lead by it.

Date:

.....
Signature

Stamp