



SUPPLIER CODE OF CONDUCT

VALID FOR ALL INTERNAL BRANDS AT THE ELLOS GROUP

TABLE OF CONTENT

INTRODUCTION TO THE CODE OF CONDUCT	2
IMPLEMENTATION	2
MONITORING	2
ARTISANAL PRODUCTION	3
NON-COMPLIANCE	3
COMPLIANCE WITH LAWS	3
CHILD LABOUR	3
PREVENTION OF CHILD LABOUR	3
YOUNG WORKERS	4
FORCED LABOUR AND DISCIPLINARY PRACTICES	4
DISCRIMINATION	4
FEMALE WORKERS	5
FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	5
WAGES AND WORKING HOURS	5
CONTRACTS	5
ATTENDANCE RECORDS AND WAGE LISTS	5
WORKING HOURS AND REST DAYS	6
WAGES AND BENEFITS	6
HEALTH AND SAFETY	6
GENERAL HEALTH AND SAFETY	6
FIRE SAFETY	7
FIRST AID	8
DORMITORIES	8
ENVIRONMENT	8
POLLUTION AND WASTE HANDLING	10
CHEMICAL HANDLING	10

ELLOS GROUP

ellos **Jotex** STAYHARD

INTRODUCTION TO THE CODE OF CONDUCT

The Ellos Group considers it important to take responsibility for our actions and take a role in developing a sustainable society. We want to ensure that the human rights of the people taking part in producing our products are respected.

Therefore, we have developed a Code of Conduct for our suppliers. The Code of Conduct applies to all suppliers and their subcontractors who are involved in manufacturing or supplying products to any of the companies included in the Ellos Group.

While the Ellos Group recognizes that there are different legal and cultural environments in which our suppliers and their production units operate, this Code of Conduct sets forth the basic requirements that all suppliers must meet in order to do business with the Ellos Group. The suppliers are responsible for all factories involved in manufacturing products for the Ellos Group following this Code of Conduct, regardless if the supplier owns the factory or not.

We also expect our suppliers to follow internationally accepted labour standards, including the ILO conventions and recommendations, and to continuously work on improving the working conditions for those involved in producing our products.

IMPLEMENTATION

All suppliers must inform all employees and subcontractors involved in producing the Ellos Group's products about this Code of Conduct.

The supplier's Code of Conduct should be posted on site in an area accessible to all workers. If required, the Code of Conduct should be translated into the local languages. The supplier should have management systems in place to ensure that there is no conflict of interest for employees, and to ensure that workers can make suggestions or complaints without fear of reprisal.

The supplier should have appointed a compliance officer to support the implementation of the Code of Conduct at the operations.

MONITORING

All suppliers are required to inform the Ellos Group about where each order is being produced. According to the Ellos Group, a supplier in our supply chain is any unit doing critical areas of the final product, such as linking/laundry facilities, and printing. All suppliers must deliver according to the Ellos Group's Code of Conduct for suppliers.

The Ellos Group prohibits sub-contracting of complete or part orders without written permission from the responsible Product Manager. Records of sub-contractors and suppliers should be kept for at least 12 months.

To ensure compliance in our supply chain, the Ellos Group demands that all active suppliers of own brand products have valid social compliance certificates or reports from the last 24 months for all production units. Annual follow ups are done by the Ellos Group.

ELLOS GROUP

ellos Jotex STAYHARD

If a supplier is missing a valid certificate or protocol, the Ellos Group reserves the right to carry out an audit of social compliance. Social compliance audits are conducted for own brand product' manufacturing sites by a recognized external body on behalf of the Ellos Group and following our guidelines and audit methodology. The Ellos Group reserves the right to make announced or unannounced visits at any time to all places of production, including subcontractors.

Upon a scheduled audit by the Ellos Group, the supplier is required to provide full access to the facility, documentation and workers for individual and group interviews. All records and documentation should be kept on site.

ARTISANAL PRODUCTION

The Ellos Group strongly emphasize that all artisanal production is carried out in production centres or similar, where the basic ILO principles and UN Human Rights laws can be controlled. Our ambition is to minimise the amount of production that is carried out in the homes of workers.

NON-COMPLIANCE

If the Ellos Group finds that a production unit is violating this Code of Conduct, we expect the supplier to take immediate action for and implement corrective actions.

If corrective measures are not taken within the agreed time limit, the Ellos Group may suspend the placement of future orders or terminate business with that supplier.

COMPLIANCE WITH LAWS

All business carried out with, or on the behalf of, the Ellos Group should always be conducted in accordance with the Ellos Group's Code of Conduct for suppliers and applicable laws and regulations in the country of business.

Where there are differences between the provision of this Code and national laws, rules and regulations, the supplier should comply with the higher or more stringent of the requirements.

CHILD LABOUR

PREVENTION OF CHILD LABOUR

Use of Child Labour is not permissible.

All employees at a factory should have reached the age of 15 (or 14 where ILO Convention 138 makes an exception) or the age for completing compulsory education, whichever of the two is higher.

To prevent child labour, the supplier should have policies and systems in place and management should be trained in these to ensure that no child is employed. The supplier should keep official documentation of every worker that verifies the worker's date of birth. Children visiting their parents at the workplace must be registered and there shall be a designated and appropriate meeting place.

ELLOS GROUP

ellos Jotex STAYHARD

If child labour is found in any place of production for the Ellos Group, the supplier is obliged to take measures and find a solution in the best interest of the child. The supplier needs to send that child to school to complete basic education, and the factory needs to take care of that child's education and living. Any costs for education etc. must be paid by the factory.

YOUNG WORKERS

Young employees (below the age of 18) may only be employed in non-hazardous work, if they are above the country's legal working age, according to article 32.1 in the UN Conventions on the Rights of the Child. Legal young workers should work under appropriate conditions and working hours, and correct documentation should be maintained.

FORCED LABOUR AND DISCIPLINARY PRACTICES

Suppliers or subcontractors should not use any form of forced labour, including prison, bonded or involuntary labour, as defined by ILO conventions 29 and 105. We prohibit recourse in any form whatsoever to slavery, human trafficking, and servitude for debt and forced or compulsory labour, as well as to products or services created by these means.

There should be no restrictions on the worker's movements to and from the factory or on basic liberties e.g. bathroom, drinking water, use of infirmary etc. Withholding of government issued identification is not allowed under any circumstances, or to require deposits. Employees should accept their employment and work voluntarily.

The supplier should not engage in, or support the use of, physical punishment, unreasonable wage deductions or abuse in any manner whether physical, mental, sexual or verbal. The supplier should inform all workers about the disciplinary policy and keep records of disciplinary action. Training should be provided to employees regarding the risks of slavery and human trafficking at the operations and in the supply chain.

DISCRIMINATION

Employees should be employed based on their ability to do the job and provided with equal employment opportunities. The Ellos Group prohibits discrimination based upon race, ethnicity, religion, gender, age, political affiliation, nationality, caste, sexual orientation, marital status, disability, membership in worker's organisations including unions, or any other personal characteristics, according to ILO conventions 100 and 111. All suppliers should have a stated policy prohibiting discrimination and there should be no disciplinary action taken, or privileged treatment, based on personal characteristics.

The supplier should base decisions regarding recruitment, salary, benefits, promotion, termination and retirement on workers' individual skills and ability to do the job.

ELLOS GROUP

ellos **Jotex** STAYHARD

FEMALE WORKERS

Female workers should be treated with dignity and respect. They should be granted equal opportunities in all matters pertaining to employment in the factory including hiring, promotion, wages, benefits and work assignments. There should be no forced use of contraception or pregnancy test, as a condition of employment. Female workers should not be exposed to HS risks that could endanger reproductive health. Female workers should not be subject to full body searches by male security guards.

Measures must be established to protect workers from sexually intrusive, threatening, insulting or exploitive behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, parenthood or HIV status.

Pregnant workers should not be terminated nor should they perform dangerous tasks. Female workers returning to work after pregnancy should not have deductions made to wages (ILO convention 183).

A record of all terminated contracts should be kept. The reason for termination of contract should be clearly stated in the records.

FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

We expect our suppliers to guarantee their employees Freedom of Association and the right to join unions or other work or industry related associations, as well as the right to collective bargaining in accordance with the local law, in line with ILO conventions 87, 98 and 135.

The workers should be able to organize without the interference of the supplier or threats of termination. Employments should be available to all workers, regardless of union membership or not. Collective bargaining agreements should be maintained on file.

A grievance system should be available as well as a system for resolving workplace disputes.

WAGES AND WORKING HOURS

CONTRACTS

All employees should be entitled to a written labour contract in accordance with the law before entering employment. The contract must contain everything specified in local legislation, and as a minimum the following; employer, name of employee, birth date, position, salary, working hours, overtime compensation, benefits and notice time.

ATTENDANCE RECORDS AND WAGE LISTS

The supplier should keep consistent attendance and pay records, documenting the working hours and payment of wages for each employee.

ELLOS GROUP

ellos **Jotex** STAYHARD

WORKING HOURS AND REST DAYS

We expect our suppliers to comply with legally mandated work hours or no more than 48 hours per week with 12 hours' overtime, whichever is lower, and provide one day off after six consecutive days of work. The total hours worked in any 7-day period should not exceed 60 hours (ILO conventions 001, 014, 030 and 106)

The hours of work should be recorded correctly and by an automated time recording system. Local regulations and laws should be followed regarding overtime, mandated rest days, meals and rest breaks, as well as mandated holidays and vacation days. The supplier should have a capacity planning to for production to minimize overtime work.

Overtime work is voluntary and used only when each employee is fully compensated according to local law. The termination or discipline of workers not willing to work overtime is not allowed.

WAGES AND BENEFITS

Payment of fair wages should be assured to every employee at the factory, which should not be less than the minimum amount prescribed by the law or the prevailing industry wage of the relevant country, whichever is higher. Overtime premiums should be paid in accordance with the law.

Wages and benefits should be calculated correctly and in accordance with legal minimum wages and overtime compensation levels. Delays or withholding of wages is not allowed nor are illegal wage deductions. Deductions as a disciplinary measure is not permitted.

At each payment, workers shall be provided with understandable information for the pay period concerned in writing, including but not limited to: number of working days, wage/piece rate calculation, overtime hours, overtime pay and bonuses. Piece rate shall be calculated so that those producing the lowest amount receive at least the minimum wage within regular working hours.

All suppliers should provide its employees with legally mandated benefits, e.g. holiday pay, sickness allowance, medical insurance, social insurance, pensions, parental leave, etc.

HEALTH AND SAFETY

We expect our suppliers to comply with national and local laws on health and safety, and provide employees with a safe and healthy workplace in accordance with ILO convention 155.

GENERAL HEALTH AND SAFETY

The working environment must be safe and hygienic. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimising the causes of hazards inherent in the working environment. Working conditions shall at a minimum comply with national occupational health and safety regulations and with international standards where domestic regulation is insufficient or unspecified.

ELLOS GROUP

ellos Jotex STAYHARD

The supplier should ensure that all employees are aware of the safety risks in their production area, and they should be given the necessary safety training before operating machines and other equipment. There should be a legally mandated health and safety committee in place and a member of management should be appointed as responsible for H&S. All workers should be provided with regular occupational health checks.

Personal protective equipment should be provided free of cost and management should train the workers in using PPE properly. Machines and other equipment should be equipped with guards and with recent licenses/certificates in place. Risk areas and potential hazards should be clearly marked by warning signs in appropriate languages with pictograms if possible.

The supplier should conduct regular risk assessments on jobs and/or work stations that pose long-term hazards and work actively in minimising the effects of such jobs on employees' health.

If hazardous chemicals are used in production, workers should receive the appropriate training for handling chemicals and there should be Material Safety Data Sheets (MSDS)/Safety Data Sheets (SDS) available. Chemicals should be stored in designated areas with the correct storage, labelling and ventilation. Eye-wash and/or shower stations are required in areas where chemicals are handled.

The factory shall ensure that the noise level is acceptable and will not cause any injuries. The lighting must be sufficient to ensure a safe working environment. There shall be proper ventilation, windows, fans, air conditioning and/or heating at workplaces, so that circulation, ventilation and temperature requirements are met.

Toilets should be available in sufficient number and separated by gender. Toilets should be separated by stalls with doors, well lit, ventilated and clean. Toilet paper/towels and running water should be available near toilets.

Drinkable water should be available to all workers and the water quality tested on a regular basis.

If the factory provides food for its workers, the canteen, in which food is stored and prepared, must be located separately from the production area. Canteen workers should be appropriately trained and/or provided with certificate. The food preparation areas and eating areas should be clean. The eating facilities should be protected from the elements and should have adequate seating, tables and lighting.

FIRE SAFETY

The building where production takes place should be structurally safe and all electrical wiring should be in good and safe condition. The factory must be able to display, with relevant permits, that production buildings and installations in such buildings are of the appropriate standard for how they are being utilized. There must be a management system to ensure that operational loads do not at any time exceed the factory floor loading limits.

ELLOS GROUP

ellos Jotex STAYHARD

Firefighting equipment should be available, operational and appropriate for the factory's size and production methods. Fire drills need to be carried out on a regular basis and the staff trained in fire safety.

The layout of the production floors should allow for evacuation and all emergency exits and routes should be clearly marked. The evacuation plan needs to be posted on the factory floor. The gap between walls and stocked materials should be according to the legal requirement.

Electrical systems, equipment, panels, outlets and wiring must be installed by a certified electrician, and must be properly placed, grounded and documented. All electrical features must be maintained in good working order and must be inspected on a regular basis.

FIRST AID

First aid supplies should be available on each floor. At least one member of the staff, covering all shifts, should be trained in first aid.

DORMITORIES

If a factory provides dormitory facilities for their workers, all the requirements already stated regarding health and safety in the production area (9.1–9.3), also applies to the dormitories.

The dormitories should be separated from production area, and the living space should be at least the minimum legal requirement. The rooms, toilets and showers should be separated by gender, and the rooms should be equipped with beds and mats. There should also be locked storage for residents, access to hot water in the showers as well as properly grounded power cords to appliances. There shall be proper ventilation, windows, fans and/or air conditioning/heating apparatus in all dormitories to ensure proper circulation, ventilation and temperature. The dormitories shall also have adequate lighting.

Workers living on the premises must be able to come and go as they please in their own time, within reasonable limits due to security and comfort. The use of provided accommodation facilities must be optional. If the workers must pay for their housing, the cost should be commensurate with the standard of their accommodation, not exceed local average, and reasonable in comparison with provided wage levels.

ENVIRONMENT

We expect our suppliers to comply with national and local laws on environment, and share our sustainability commitment to environmental protection and preservation.

The supplier should work to minimise the environmental risks related to the business operations, and continuously work to improve the company's environmental performance.

Minimising the use of chemicals is important and should be a top priority. This is an important measure to deliver safe products and to preserve the environment.

ELLOS GROUP

ellos Jotex STAYHARD

Suppliers shall use a management system to ensure continual improvement and compliance with environmentally-beneficial policies and practices, and encourage their own suppliers to implement and adhere to the same standards.

Suppliers shall seek to reduce negative impacts on resource consumption (e.g. energy and water), emissions and waste. Environmental measures shall be taken into consideration throughout the production and distribution chain, ranging from the production and supply of raw material to the consumer sale. Local, regional and global environmental aspects shall be considered.

ELLOS GROUP

ellos **Jotex** STAYHARD

POLLUTION AND WASTE HANDLING

The supplier should have all the required environmental permits, licenses and registrations applicable for their business, e.g. for emissions (air, water) and disposal of hazardous waste.

Any solid waste or waste water should be appropriately stored, managed, controlled and disposed of. Records of hazardous waste disposal should be retained, and where services are available, the hazardous waste should be handled over to an authorized waste contractor. Employees handling waste should be effectively trained in safe handling.

The supplier should have procedures in place for notifying the local authorities in case of accidental discharge or another environmental emergency.

CHEMICAL HANDLING

The supplier should work in full compliance with all applicable laws and regulations regarding chemical use and disposal, including maintaining valid permits.

The supplier should have a list of all chemicals used in production. Storage, handling, use and disposal of all chemicals used must comply with the Safety Data Sheet (SDS) of each chemical product. The use of chemicals must be in accordance with the list of authorized substances and banned substances specified in the Ellos Group's Supplier's Manual.