

Scorett Code of Conduct

The Scorett Footwear AB Code of Conduct defines how we as a company conduct our business in a socially, ethically and in an environmentally correct way. It defines standards for fair, safe and healthy working conditions and environmental responsibility throughout our supply chain. As part of Scorett quest to work sustainably, our responsibility does not only apply to our customers, our employees, and different actors taking part of the production of our products. Our responsibility extends to achieve a better and more sustainable future for all.

Background

Our Code is based on international regulations set by the International Labour Organization (ILO), the UN Universal Declaration on Human Rights, the UN Declaration on Children's Rights, the OECD guidelines and the UN Global Compact. All suppliers and business partners are expected to commit to the Code of Conduct in all production for Scorett. Our suppliers and business partners must also ensure that their sub-suppliers follow the Code of Conduct. Business Partners /Suppliers must also ensure that national legislations are followed.

Scorett Footwear AB expects its suppliers not only to follow the law, but also to respect the rights, interests and wellbeing of their employees (including homeworkers), their communities and the environment. We also expect our suppliers to share best practice so we can work together to make realistic, long-term improvements.

1. Contract of employment

There should be a legally binding employment relationship for every worker. Every employer has a responsibility to ensure that all employees are aware of their legal rights and obligations. This implies that all workers, including short term and part time employed workers should get a written contract of employment in the local language, that determines the employment terms and conditions.

2. No Forced labour

There must be no use of forced labour, including bonded or prison labour, nor shall there be illegal labor in any form. Employment shall be freely chosen. These conditions must be met unconditionally for **all workers**.

- ILO Conventions 29 and 105

3. No Exploitation of child labour

Scorett does not accept child labour. The minimum age and regulations for young workers includes that the age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years. Children in the age of 15-18 shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health or physical, mental, social or moral development. Young workers shall be given the opportunity to participate in education and training programs.

In addition, there shall be no forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour.

- ILO Conventions 138 and 182, 79 and 142

4. Equal treatment of Homeworkers

Our definition of homeworkers is based upon the International Labour Organisation (ILO) Convention (1996, C177, Article 1) which promotes the equality of treatment between homeworkers and other wage earners.

We are aware that homeworkers may be present in our supply chains, we are supportive of this and want to continue to provide an income stream for these workers. Suppliers to Scorett is urged to strive to sustain their employment, make their work as regular as possible, while providing and safeguarding their rights, income and working conditions if they are found to be below those set out in international standards.

- ILO Convention on Homeworking (1996, C177, Article 4, 5 6 and 7).

5. Working hours

There must be no excessive working hours; the working hours must comply with applicable laws and industry standards. In any event, workers must not be required to work in excess of 48 hours per week on a regular basis. Employees must be allowed at least 24 consecutive hours rest in every seven-day work period. Overtime must be voluntary, must not exceed 12 hours per week and must always be compensated at a premium rate. All employees must be entitled to contractual holidays, sick leave and parental leave.

- ILO Convention 1 and 14

6. Compensation

Wages and benefits paid for a standard working week must meet at least legal or industry minimum standards. In cases where minimum standards are not enough to cover the basic needs for workers and their families, and to allow for some savings, the employer is urged to strive for a living wage. Deductions from wages which are not provided for by national law, are not permitted. Workers should be informed about how their wages are made up and receive a pay slip with this information. The workers should also be entitled of all legal social benefits, like pension and health benefits. These benefits must be clearly marked on the pay slip.

- ILO Conventions 26 and 131

7. No Discrimination

There must be no discrimination in recruitment, wage policy, admittance to training programs, employee promotion policy, policies of employment termination and retirement. All employment relationships shall be based on the principle of equal opportunities, regardless of race, colour, sex, religion, political affiliation, opinion, union membership, nationality, social origin, deficiencies or handicaps.

- ILO Conventions 100 and 111, 143, 158 and 159

8. Safe and healthy working conditions, no harassment or abuse

The employer must provide a safe and hygienic working environment. The employer must provide adequate protective equipment where needed and train workers how and why to use it. The employer must also implement effective regulations to prevent accidents and minimize health risks. Every employee should be treated with respect and dignity. No employee should be subject to any physical, sexual, psychological or verbal harassment or abuse.

- ILO Convention 155 & recommendations 164 and 190

9. Factory & Housing Conditions

For the workers' well-being and for the quality of the products, following is important:

- The factory environment should be clean and free from pollution.
- The temperature in the factory should be tolerable for a working environment. Ventilation must be good enough to remain indoor air fresh from any pollutants from processes. Heaters and fans should be connected to an extractor.
- The lighting should be acceptable for **all** work performed.
- First aid equipment must be easily available, and an adequate number of workers shall have been trained in basic first aid.
- Evacuation plans should be in place and well known to all workers. Evacuation paths must be clearly marked, unblocked and suitable for firefighting equipment.
- Sanitary facilities should be clean, and workers must have access without unreasonable restrictions. There should be an adequate number of facilities for the workers in the factory (one in each floor and separate for men and women is preferred).
- If dormitory facilities are provided these should meet all applicable laws and regulations related to health and safety, including fire safety, electrical- and structural safety.

10. Freedom of association and the right to collective bargaining

Workers' right to negotiate collectively shall not be prevented in any way. The right of all workers to form and join trade unions shall be respected. In situations, in which the right to freedom of association and collective bargaining are restricted under law, the employer shall facilitate other forms of independent and free association and bargaining for all workers. Workers' representatives must not be discriminated against and shall have access to all workplaces necessary to carry out their role.

- ILO Conventions 87, 98,135,143 and 154

11. Corruption

Scorett wants to conduct an ethical business where no corruption exists, therefore we expect our suppliers to act the same. We have a zero-tolerance policy on corruption; including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials. Suppliers to Scorett should not make or approve any illegal payment to anyone under any circumstances.

12. Management System

The Management shall ensure a well-established and functional anti-corruption policy and handling of any eventual cases of corruption. Functional means for two-way communication between management and workers must be installed. Scorett expects their suppliers to continuously strive for improvements to comply with our Code of Conduct. For a successful implementation of our Code of Conduct, clear responsibilities and roles should be communicated along with a working control system, these are also the keys for successful business affairs.

13. Environment

We expect our suppliers to maintain or implement environmental systems to minimize environmental impact, and to continuously update routines if new environmental issues should arise. To minimize the impact on human health and the environment, our suppliers must comply with existing environmental legislations and regulations applicable for their business. Waste or emission with potentially negative impact on human health or the environment should be properly controlled and treated prior to release into air, soil or surface water drains. We do not permit prohibited chemical substances in our production according to our chemical restriction list, which the supplier is also obligated to sign.

14. Animal Welfare

Scorett only accepts leathers and materials originated from animals that have been bred for food production. We do not accept down or feathers from live plucked animals. Material must not originate from vulnerable or endangered species. We do not accept fur (this does not include sheepskin and cow leather with its hair attached to its skin)

We encourage traceability and transparency down to farm level. All suppliers must follow national and international legislation regarding animal welfare.

15. Monitoring

Scorett expects suppliers to comply with our Code of Conduct and that suppliers do their utmost to fulfill our requirements, both in their organization and among sub suppliers.

Since Scorett believes in cooperation, we are willing to work with our suppliers to achieve preferable solutions in every individual case. If any violating against this code is discovered, we expect our supplier to take responsibility for corrective actions during an agreed time limit.

Should the code be disregarded on repeated occasions, we will have to rethink about placing future orders at that supplier. Scorett will prioritize placing orders where our Code of Conduct can be met.

Code of Conduct Compliance Commitment

Scorett’s suppliers are expected to make sure that all workers taking part in our production are informed about our Code of Conduct (in local language both orally and written).

There should be records of all workers; names, age, working hours and wages paid available upon requests from Scorett. All suppliers are obliged to inform Scorett where each order is being produced. Scorett reserves the right to perform audits whenever needed, either performed by Scorett or by a third independent party.

We hereby confirm that we have received, read and fully understand the Scorett Code of Conduct.

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Company name

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Authorized signature

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Place and date