

TEKLA

Tekla Code of Conduct

(insert supplier name)

At Tekla, we design products that have a meaningful impact on our customers' everyday lives, are of exceptional quality, and are built to last. It's of the utmost importance that we do this in the most responsible way possible, aspiring to go beyond just compliance and be an active part of positive change in our industry. We rely on our like minded suppliers to achieve this, and have created a Code of Conduct, that states some of the fundamental standards we should all adhere to.

Our Code is derived from the base code of the Ethical Trading Initiative, the eight conventions of the International Labour Organisations, and the UN Global Compact 10 principles. In addition we have added some interconnected principles related to Climate Action, Traceability, Transparency, as moving forward, these are vital areas of focus for us, and the industry in general.

We see our Code of Conduct as a mutual agreement and a statement of our intent to build long term prosperous relationships with our suppliers, based on our mutual respect and trust.

Name of Signatory for Tekla _____

Signature _____

Date _____

Name of Signatory for Supplier _____

Signature _____

Date _____

- 1 **FREELY CHOSEN EMPLOYMENT**
There shall be no use of forced labor, including prison, indentured, bonded, slave or other forms of forced labor. Acts of human trafficking are also prohibited. Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.
- 2 **FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING**
Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. The employer adopts an open attitude towards the activities of trade unions and their organisational activities. Workers representatives are not discriminated against and can carry out their representative functions in the workplace. Where the right to freedom of association and collective bargaining is restricted under national law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.
- 3 **SAFE AND HYGIENIC WORKING CONDITIONS**
We seek and favour suppliers that go above the industry standards. As a minimum requirement, a safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health at work. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
Access to clean toilet facilities, drinking water and where appropriate sanitary facilities shall be provided. The company observing the code shall assign responsibility for health and safety to a senior management representative. Where provided, accommodation shall be clean, safe, and meet the basic needs of the workers.
- 4 **NO EXPLOITATION OR CHILD LABOUR**
There shall be no new recruitment of child labour. 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. (ILO Convention 138) . Children and young persons under 18 shall not be employed at night or in hazardous conditions. These policies and procedures shall conform to the provisions of the relevant ILO standards.
- 5 **LIVING WAGES**
We seek and favor suppliers who progressively raise employee living standards, exceeding legal requirements and enhancing quality of life. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income. All workers shall be provided with written and understandable information about their wages before they enter employment, and provided with wage slips for each period they are paid. Deductions from wages as a disciplinary measure shall not be permitted, nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6 NON EXCESSIVE WORKING HOURS

Working hours must comply with national laws, collective agreements, and international labour standards, such as;

- Working hours (excluding overtime) shall be defined by contract, and shall not exceed 48 hours per week.
- Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.
- All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment.
- Overtime shall be compensated at a premium rate.
Whichever offers the greatest protection, and financial gain for the worker.

7 NO DISCRIMINATION

There is no discrimination in hiring, wage policy, access to employment, training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8 EMPLOYMENT RELATIONSHIP

To every extent possible work performed must be on the basis of recognised employment relationships established through national law and practice.

Obligations to employees under labour or social security laws and regulations should not be avoided through the use of home working schemes, subcontracting, home working arrangement or apprenticeships where there is no real intent to provide regular employment, or impart skills. Nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

The conditions for the termination of a contract should be laid out before employment commences and conform to established and transparent company practices and local law.

9 RESPECT AND DIGNITY

At Tekla we pride ourselves on a kind work culture where everyone is treated equally, with dignity and respect. We seek and favour suppliers who foster the same culture in their working environment. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is strictly prohibited.

10 TRANSPARENCY

Accurate attendance, payroll and production records shall be maintained and made available if requested.

11 TRACEABILITY

Traceability is not the same as sustainability, but it is the first foundation step toward achieving a collective accountable industry, and to make positive changes environmentally and socially.

We therefore aspire to achieve full traceability from finished product to farm or fibre producer. Our suppliers must be onboard with this mission, and when required provide information into owned and/or subcontracted farms, mills, plants, factories and other sites that are involved in the production of our products. It is jointly responsible of us, and our suppliers to maintain the integrity and credibility of our product claims, and certification standards.

12 ENVIRONMENT

Suppliers should support a precautionary approach to environmental challenges, complying with national environmental laws and regulations at all times. There shall be no emissions to air, water or ground that can have a direct severe impact on the surrounding environment, society or the public health. Suppliers should encourage the development and diffusion of environmentally friendly technologies, and should undertake initiatives to promote greater environmental responsibility, particularly in the following areas.

ENERGY AND CLIMATE ACTION

Suppliers must track their energy consumption and fuel sources, with the ambition to reduce energy consumption derived from unsustainable sources (such as fossil fuels) and to reduce their absolute greenhouse gas emissions. Information on energy consumption and energy sources must be made available if requested.

We seek suppliers with a strong commitment and action plan to reduce their greenhouse gas emissions. We favour suppliers already taking action, such as switching to renewable energy or investing in solar panels.

WASTE

Suppliers must be able to identify the areas where waste is generated in relation to the production of our products. Suppliers must try their best to reduce waste whenever possible. Where waste is unavoidable it must be safely handled, stored, reused, recycled or disposed of correctly and responsibly. Information on waste generated, and handling and disposal, must be available if requested. In addition we embrace the transition to a more circular supply chain and fully support any initiative that diverts 'waste' from landfill and incineration, and promotes reuse and recycling.

WATER

Suppliers must track their water use and sources, and be able to identify which factors require the most water use on site (for example machinery, processes, or operations that use the most water). Information on water use, and biggest water use factors, must be made available if requested.

CHEMICALS

Suppliers must be able to track all non-hazardous and hazardous chemicals used. Chemicals, and other materials posing a hazard if released to the environment, are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and correct disposal. Information on how chemicals are disposed of must be available if requested.

13 RESTRICTED CHEMICALS

Chemicals used in production must be Oeko Tex Standard 100 Product Class 2 compliant, and wherever possible, or required by product type, chemicals used in production must be Oeko Tex Standard 100 Product Class 1 compliant.

Chemical containers must be properly labelled and safely stored. A material safety data sheet (MSDS) must be available, in the local language, and the instructions in the MSDS must be followed.

14 ANIMAL WELFARE

Suppliers should respect animal welfare and work progressively towards adopting healthy and humane practices towards animals based on best available technology and standards.

15 ANTI CORRUPTION

Suppliers should work against corruption in all its forms, including extortion and bribery.