



SUPPLIER CODE OF CONDUCT

RevolutionRace AB (Registration Number 556938-2913)

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1 Background and scope

RevolutionRace designs multifunctional outdoor apparel with colourful durable designs and fabrics at affordable prices. Our products shall also be manufactured with minimal environmental impact and under favourable social conditions. The RevolutionRace Supplier Code of Conduct defines principles of human rights, labor and social standards as well as business ethics and environmental standards that we require our partners in the supply chain to comply with.

The principles outlined in this environmental policy apply to RevolutionRace AB (publ) ("RevolutionRace"), together with its Swedish subsidiaries, also referred to here as the "company" or "we". We also require that our Code of Conduct extend to all factories, used by the supplier and all of the workers working within those factories, regardless of their status or relationship with the supplier. The Code of Conduct therefore also applies to workers who are engaged informally, on short-term contracts or on a part-time basis. In working towards a more sustainable supply chain, it is essential for RevolutionRace that suppliers show transparency and declare all production units. The Code of Conduct also extends to all sub-suppliers of the supplier. We expect our suppliers to implement reasonable measures to ensure that all of their sub-suppliers observe this Code of Conduct.

2 Applicable legislation

The requirements are based on the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, UN Global Compact and the Core Conventions of the International Labour Organization (ILO). RevolutionRace is a member of the business association Amfori, and the Code of Conduct is based on the 12 fundamental principles of the Amfori BSCI Code of Conduct.

RevolutionRace expects all of its suppliers to comply with the respective national legislation and internationally agreed standards. In countries where domestic laws and regulations are in conflict with, or set a different standard of protection than this Code of Conduct, the provision that best protects the interests of the workers and the environment shall apply.

3 Twelve fundamental principles

3.1 Management systems and employee involvement

Suppliers should have proper management systems to ensure that the principles of this Code of Conduct are not violated and that continuous improvements are implemented. Part of this, includes performing risk assessments and self-assessments of all production units.

Suppliers should establish good management practices that involve workers and their representatives in information exchange on workplace issues, and allow for appropriate measures for protecting workers in line with the Code of Conduct. Suppliers should take specific steps to make workers aware of their rights and obligations. The BSCI Code of Conduct shall be displayed in the local language to employees involved in production for RevolutionRace Managers shall be aware of this Code of Conduct and build competence among workers and their representatives through continuous education and training.

Suppliers should also establish or participate in operational-level grievance mechanisms for individuals and communities who may be adversely impacted. Grievance mechanisms may offer particular advantages such as speed of access and remediation, reduced costs and transnational reach.

3.2 The rights of freedom of association and collective bargaining

Suppliers shall: (a) respect the right of workers to form unions in a free and democratic way; (b) not discriminate against workers because of trade union membership and (c) respect workers' right to bargain collectively.

Suppliers shall not prevent workers' representatives from having access to workers in the workplace or from interacting with them. When operating in countries where trade union activity is unlawful or where free and democratic trade union activity is not allowed, suppliers shall respect this principle by allowing workers to freely elect their own representatives with whom the company can enter into dialogue about workplace issues.

3.3 No discrimination

Suppliers shall not discriminate, exclude or have a certain preference for persons on the basis of gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organisations, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination. In particular, workers shall not be harassed or disciplined on any of the grounds listed above.

3.4 Fair remuneration

Suppliers observe this principle when they respect the right of the workers to receive fair remuneration that is sufficient to provide them with a decent living for themselves and their families, as well as the social benefits legally granted, without prejudice to the specific expectations set out hereunder.

Suppliers shall comply, as a minimum, with wages mandated by governments' minimum wage legislation, or industry standards approved on the basis of collective bargaining, whichever is higher. Wages are to be paid in a timely manner, regularly, and fully in legal tender. Partial payment in the form of allowance "in kind" is accepted in line with ILO specifications. The level of wages is to reflect the skills and education of workers and shall refer to regular working hours. Deductions will be permitted only under the conditions and to the extent prescribed by law or fixed by collective agreement.

3.5 Decent working hours

Suppliers observe this principle when they ensure that workers are not required to work more than 48 regular hours per week, without prejudice to the specific expectations set out hereunder. However, RevolutionRace recognizes the exceptions specified by the ILO. Applicable national laws, industry benchmark standards or collective agreements are to be interpreted within the international framework set out by the ILO. In exceptional cases defined by the ILO, the limit of hours of work prescribed above may be exceeded, in which case overtime is permitted.

The use of overtime is meant to be exceptional, voluntary, paid at a premium rate of not less than one and one-quarter times the regular rate and shall not represent a significantly higher likelihood of occupational hazards. Furthermore, suppliers shall grant their workers with the right to resting breaks in every working day and the right to at least one day off in every seven days, unless exceptions defined by collective agreements apply.

3.6 Occupational health and safety

Suppliers observe this principle when they respect the right to healthy working and living conditions of workers and local communities, without prejudice to the specific expectations set out hereunder. Vulnerable individuals such as – but not limited to – young workers, new and expecting mothers and persons with disabilities, shall receive special protection.

Suppliers shall comply with occupational health and safety regulations, or with international standards where domestic legislation is weak or poorly enforced. The active co-operation between management and workers, and/or their representatives is essential in order to develop and implement systems towards ensuring a safe and healthy work environment. This may be achieved through the establishment of Occupational Health and Safety Committees.

Suppliers shall ensure that there are systems in place to detect, assess, avoid and respond to potential threats to the health and safety of workers. They shall take effective measures to prevent workers from having accidents, injuries or illnesses, arising from, associated with, or occurring during work. These measures should aim at minimizing so far as is reasonable the causes of hazards inherent within the workplace. Suppliers will seek improving workers protection in case of accident including through compulsory insurance schemes.

Suppliers shall take all appropriate measures within their sphere of influence, to see to the stability and safety of the equipment and buildings they use, including residential facilities to workers when these are provided by the employer as well as to protect against any foreseeable emergency. Suppliers shall respect the workers' right to exit the premises from imminent danger without seeking permission. Suppliers shall ensure adequate occupational medical assistance and related facilities. Suppliers shall ensure access to drinking water, safe and clean eating and resting areas as well as clean and safe cooking and food storage areas. Furthermore, suppliers shall always provide effective Personal Protective Equipment (PPE) to all workers free of charge.

3.7 No child labour

Suppliers observe this principle when they do not employ directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law, which shall not be less than 15 years, unless the exceptions recognised by the ILO apply.

Suppliers must establish robust age-verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker. This principle aims to protect children from any form of exploitation. Special care is to be taken to the occasion of the dismissal of children, as they can move into more hazardous employment, such as prostitution or drug trafficking. In removing children from the workplace, suppliers should identify in a proactive manner, measures to ensure the protection of affected children. When appropriate, they shall pursue the possibility to provide decent work for adult household member of the affected children's family.

3.8 Special protection for young workers

Suppliers observe this principle when they ensure that young persons do not work at night and that they are protected against conditions of work which are prejudicial to their health, safety,

morals, and development, without prejudice to the specific expectations set out in this principle. Where young workers are employed, suppliers should ensure that (a) the kind of work is not likely to be harmful to their health or development; (b) their working hours do not prejudice their attendance at school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programs.

Suppliers shall set the necessary mechanisms to prevent, identify and mitigate harm to young workers; with special attention to the access young workers shall have to effective grievance mechanisms and to Occupational Health and Safety trainings schemes and program.

3.9 No precarious employment

Suppliers observe this principle when, without prejudice to the specific expectations set out in this chapter, (a) they ensure that their employment relationships do not cause insecurity and social or economic vulnerability for their workers; (b) work is performed on the basis of a recognised and documented employment relationship, established in compliance with national legislation, custom or practice and international labour standards, whichever provides greater protection. Before entering into employment, suppliers are to provide workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment.

Suppliers should aim at providing decent working conditions that also support workers, both women and men, in their roles as parents or caregivers, especially with regard to migrant and seasonal workers whose children may be left in the migrants' home towns.

Suppliers shall not use employment arrangements in a way that deliberately does not correspond to the genuine purpose of the law. This includes – but it not limited to – (a) apprenticeship schemes where there is not intent to impart skills or provide regular employment, (b) seasonality or contingency work when used to undermine workers' protection, and (c) labour-only contracting. Furthermore, the use of sub-contracting may not serve to undermine the rights of workers.

3.10 No forced labour

Suppliers shall not engage in any form of servitude, forced, bonded, indentured, trafficked or nonvoluntary labour. Suppliers will risk allegations of complicity if they benefit from the use of such forms of labour by their business partners. Suppliers shall act with special diligence when engaging and recruiting migrant workers both directly and indirectly.

Suppliers shall allow their workers the right to leave work and freely terminate their employment provided that workers give reasonable notice to the employer. Suppliers shall ensure that workers are not subject to inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse. All disciplinary procedures must be established in writing, and are to be explained verbally to workers in clear and understandable terms.

3.11 Ethical business behaviour

Suppliers observe this principle when, and without prejudice to the goals and expectations set out in this chapter, they are not involved in any act of corruption, extortion or embezzlement, nor in any form of bribery – including but not limited to – the promising, offering, giving or accepting of any improper monetary or other incentive. Suppliers are expected to keep accurate information regarding their activities, structure and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices. Suppliers should neither participate in falsifying such information, nor in any act of misrepresentation in the supply chain.

Furthermore, they should collect, use and otherwise process personal information (including that from workers, business partners, customers and consumers in their sphere of influence) with reasonable care. The collection, use and other processing of personal information is to comply with privacy and information security laws and regulatory requirements.

3.12 Protection of the environment

Suppliers observe this principle when they take the necessary measures to avoid environmental degradation, without prejudice to the specific expectations set out in this chapter. Suppliers should assess significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility. They will see to implement adequate measures to prevent or minimise adverse effects on the community, natural resources, and the overall environment.

To deliver on our environmental commitments, we increasingly base our sourcing choices on the environmental management practices and environmental impact of our suppliers. We require our suppliers to provide us with the relevant transparency and data, aiming to reduce the administrative burden on suppliers by using recognised industry tools, including the Higg FEM Index from the Sustainable Apparel Coalition (SAC).

3.12.1 Emission and energy use

In the supply chain, partners should

- Monitor energy use and emissions.
- Continuously increase their use of renewable energy.
- Reduce energy use by implementing energy-efficiency measures.
- Turn to methods using less energy.

3.12.2 Water and effluents

In the supply chain, partners should

- Monitor and strive to reduce the use of freshwater including reuse of water.
- Have adequate wastewater management and controls that comply with local regulations.

3.12.3 Chemicals

The use of chemicals in production processes should always comply with international and national legislation. Whenever lower impact substances are available, RevolutionRace encourages its suppliers to use them.

In the supply chain, partners should

- Comply with the REACH RSL (Restricted Substances List) at all times.
- Use the Chemact Network app access provided by RevolutionRace to verify compliance with REACH and upload test results from independent laboratories.

RevolutionRace recommends all suppliers using chemical treatments to adhere to the MRSL (Manufacturing Restricted Substances List) of the ZDHC (Zero Discharge of Hazardous Chemicals).

3.12.4 Waste reduction and waste treatment

In the supply chain, partners should always strive to

- Implement methods to reduce waste.
- Recycle waste, especially fabric-related waste.
- Separate all waste for recycling.
- Treat all hazardous waste in accordance to local statutory requirements.

4 Code observance

Suppliers must assign responsibility to one or more management representatives with the responsibility and authority to ensure compliance with this Code of Conduct.

All production units shall be open to audits at any time if requested by RevolutionRace. In the case where we require an audit of the facility, we may be represented by an independent third-party auditing company of our choice. Suppliers shall maintain appropriate records to demonstrate compliance with the requirements of this Code of Conduct. Records shall be available to RevolutionRace upon request.

Where instances of non-compliance are detected during supplier visits, suppliers will be given a fixed period to remediate the findings. In the event of failure to remediate, RevolutionRace is willing to engage in a constructive dialogue with suppliers to develop and implement action plans with appropriate time scales for implementation and improvements to be achieved.

RevolutionRace does not operate with a passed/failed policy and terminating a business relationship will only be the last resort. However, we will not conduct business with a supplier if compliance with the terms of this Code of Conduct is deemed impossible and the supplier shows no willingness or ability to improve. If the supplier is willing to work with us on continuous improvements, we are also willing to work with the supplier.

Those suppliers who continuously pursue to implement these principles within their business, are those with whom we wish to build a business partnership. When signing the Code of Conduct suppliers commit to be honest and open to develop in a more sustainable direction together with RevolutionRace.