

# SUPPLIER CODE OF CONDUCT

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# INTRODUCTION

The WED2B Supplier Code of Conduct below sets out the minimum standard of ethical and responsible behaviour that WED2B requires from all suppliers who manufacture or procure goods for WED2B. All suppliers of WED2B should read and understand the content in WED2B's Code of Conduct and it is the supplier's responsibility to meet these standards and to be able to demonstrate to WED2B that they have done so.

WED2B will support any supplier who disclose difficulties in meeting this standard and seek to work with them to put in place necessary improvements. This code of conduct is based on the principles stipulated in the Conventions of the International Labour Organization and the Universal Declaration on Human Rights.

## 1. NO FORCED LABOUR

The use of forced labour by WED2B's suppliers is strictly prohibited. No employee should be threatened with punishment, have their identity papers withheld or have to deposit a bond. Suppliers shall acknowledge the right of their employees to leave their employer after reasonable notice. <sup>1</sup>

## 2. NO CHILD LABOUR

Suppliers shall not employ minors. WED2B defines minors as those persons who have not yet reached their 15<sup>th</sup> birthday. In countries where local laws set a higher age for child labour or impose mandatory education beyond the age of 15, this higher age will apply. <sup>2</sup> Persons of ages between 15 and 18 years of age will be considered young workers. Young workers shall not work during night hours or in hazardous conditions.

1. Aspects related to such limitations will be governed by Conventions 29 and 105 of International Labour Organization (ILO)
2. Aspects related to prohibition of child labour will be developed according to Conventions 138 and 182 of the International Labour Organization

### 3. NO HARSH OR INHUMANE TREATMENT

Suppliers must always treat their employees with respect and dignity. Under no circumstances are physical punishment, sexual or racial harassment, verbal abuse or the abuse of power, or any form of intimidation, permitted.

### 4. NO DISCRIMINATION

Suppliers must treat all employees equally and fairly. Suppliers shall not apply any type of discriminatory practice in relation to hiring, access to training, promotion, or dismissal based on gender, race, religion, age, disability, sexual orientation, marital status, political opinions, union membership, nationality, or social or ethnic origin. <sup>3</sup>

### 5. WAGES ARE FAIR AND PAID

Suppliers will ensure that wages paid meet at least the minimum legal or collective bargain agreement. If the collective bargain agreement is higher, this is the amount that should be paid.

If there is no legal or overtime pay stated by the suppliers country's law, the supplier shall ensure that the wages are at least equal to the average minimum in the industrial sector in question, overtime pay should be at least the same as the usual rate of pay.

Suppliers must not withdraw or deduct any wages for disciplinary purposes, nor for any reasons other than those provided by law. If deductions need to be made as per applicable regulations, authorisation must be given by the employee.

Suppliers can pay wages either by hourly rate or by piece, or both as long as the total payment in the total working hours meet the local minimum wage standard or collective bargain agreement, whichever is higher.

Suppliers must ensure that wages and any other allowances or benefits are paid on time in full compliance with all applicable laws and in a manner than best suits the employee.

<sup>3</sup>. Aspects related to labour practices will be developed according to ILO Convention 111.

## 6. WORKING HOURS ARE NOT EXCESSIVE

Suppliers shall comply with working hour limits set by the applicable laws of country of manufacture or of the collective bargain agreement applicable for the sector in questions if the latter gives greater protection for the workers.

Overtime must be used responsibly, taking into account the extent, frequency and hours worked by individual workers and the workforce as a whole. Overtime hours must comply with applicable laws of country of manufacture.

## 7. RESPECT FOR FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Suppliers must respect and recognise the right of each employee to negotiate collectively, to create or join the union organization of their choice without penalty, discrimination, or harassment.

There must be no retaliation to the exercising of this right and no reward or payment offered to the employees to stop them exercising this right.

Where the rights to Freedom of Association and Collective Bargaining are restricted under law, the appropriate channels to ensure a reasonable and independent exercise of such rights must be designed. <sup>4</sup>

## 8. SAFE AND HYGENIC WORKING CONDITIONS

Suppliers must look at the specific risks their industrial sector presents, and they must provide a safe and healthy workplace to avoid bodily injuries and ill health, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures, clean toilet facilities and access to a drinking water supply.

If supplier provides housing and meals to employees, it must be clean and safe. If applicable, facilities for food storage shall be provided. Suppliers must put systems in place to detect, avoid or counteract any risk to their employees' health and safety. The supplier must comply with local and international regulations and laws currently in effect.

4. Aspects related to labour practices will be developed according to ILO Convention 111.

## 9. ENVIRONMENTAL AWARENESS AND SUSTAINABILITY

- 9a Suppliers must look at the specific risks their industrial sector presents, and they must provide a safe and healthy workplace to avoid bodily injuries and ill health, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures, clean toilet facilities and access to a drinking water supply.

If supplier provides housing and meals to employees, it must be clean and safe. If applicable, facilities for food storage shall be provided.

Suppliers must put systems in place to detect, avoid or counteract any risk to their employees' health and safety. The supplier must comply with local and international regulations and laws currently in effect.

- 9b. Areas suppliers must assess and consider include:

Waste management: Elimination or reduction of waste by practices such as modifying production, improved maintenance, materials substitution, conservation, recycling, and re-use of materials.

Energy and water reduction: Reduction of the consumption of water, electricity, gas, oil and other fuels through improved employee awareness, investment in energy/water saving equipment, improvement in production efficiency, use of rainwater and recycled water etc.

Hazardous Substances: Safe handling, movement, storage, use, recycling or reuse and disposal of hazardous chemicals and other materials.

## 10. CODE IMPLEMENTATION

Suppliers shall implement WED2B's code of conduct and if necessary, a single member of management or a team can be responsible for ensuring this code is complied with.

WED2B require strict compliance with these standards on the part of all our suppliers, their factories, subcontractors, as well as their own suppliers. Please note that where national and other applicable laws and the Supplier's Code of Conduct address the same issue, the provision is that the highest workplace standard will apply.

Suppliers shall communicate the code to all employees and those in any way involved in the WED2B supply chain.

A copy of WED2B's supplier code of conduct, translated into the local language, shall be displayed in accessible locations to all workers.

Any breach of conduct or any violation of this code by Suppliers or subcontractors will result in a review. WED2B will support any supplier who disclose difficulties in meeting this standard and seek to work with them to put in place necessary improvements.

#### 10.a Business Integrity

WED2B recognises the importance of the Bribery Act 2010 in combatting corruption and fosters culture across its operations. There shall be no improper gain sought out, including payment of bribes to influence the outcome of an independent review or audit.

WED2B expect suppliers to act in full compliance with the law. Our suppliers shall abide by all national, local, and international laws relating to the management.

#### 10.b Transparency

Suppliers will carry out activities in an honest and transparent way, ensuring all relevant information is recorded to facilitate traceability of their decisions.

Suppliers shall not manipulate or influence their workers, nor shall any files be forged to alter the level of compliance of this code.

#### 10.c Subcontractors

All subcontracted work is only approved subject to acceptance by the subcontractors of this code of conduct and all other applicable conditions. All subcontractors are to be agreed upon and approved by WED2B staff.

Homeworking is not permitted. If it is required under exceptional circumstances, it is to be agreed by WED2B staff. Homeworking will only be permitted once approval is given from WED2B staff under the condition that suppliers ensure that the principles of this code apply to any homemaker involved in their supply chain. There will be full transparency of the locations and working conditions of said homeworkers



10.d Independent reviews, inspections, and audits

WED2B reserve the right to check compliance with the WED2B Suppliers Code of Conduct by conducting compliance audits at any time without notice. Suppliers shall supply the necessary information and grant access to WED2B's representatives or chosen 3<sup>rd</sup> parties who seek to verify compliance with the requirements of this code. Any non-compliances must be reported to WED2B staff and an agreement will be put in place to improve or eradicate the non-compliances.

During audits and inspections, WED2B reserve the right to hold private and strictly confidential interviews with suppliers' employees. If non-compliances are discovered during these interviews, employees will not face any repercussions such as deduction of wages.

The supplier shall keep proper records to prove compliance with this code of conduct. Suppliers shall provide access to complete, original, and accurate files in response to reviews, inspections, and audits, both by WED2B staff and chosen 3<sup>rd</sup> parties.



## 11. SUPPLIER CODE OF CONDUCT COMPLIANCE

We hereby confirm that we have received, read, and understood WED2B's Supplier Code of Conduct.

We commit to complying with WED2B'S Supplier Code of Conduct, we also take responsibility to inform all our employees, subcontractors, and subsidiary about the content in WED2B'S Code of Ethics.

If we, any representative of my company, subsidiary or subcontractors, have any questions concerning the meaning of this code, or any other WED2B policy, we know that we should contact WED2B knowing that our questions, concerns and reports to these sources will be maintained in strict confidence.

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PLACE AND DATE

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SUPPLIER COMPANY NAME

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TITLE

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SIGNATURE

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NAME PRINTED

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SUPPLIER COMPANY STAMP