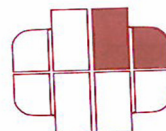


# Hoffmann Group A/S:

## Code of conduct

October 2014



### Introduction

The Hoffman Group's line of business is work wear, company wear and promotional gifts and as such, we are aware that our business entails social and environmental impacts throughout the life cycle of our products.

Hoffmann's code of conduct refers to the UN's 10 principles – "Global compact" that cover Human Rights, Labour Standards, Environment and Anti-Corruption

Commitment to continuous improvement within these areas is an integral part of our operations and we believe that actions promoting and improving the environmental and social conditions are a part of Hoffmann's responsibility.

Our aim is to form long standing partnerships with business partners that are also environmentally and socially aware and are committed to continuous improvement in these areas. It is therefore important for us to work with suppliers that share our views on promoting sustainable and socially responsible production.

The code of conduct applies to all employees at the Hoffmann Group and to our business partners including suppliers and sub-suppliers.

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### Human rights principles

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights

**Principle 2:** Make sure that they are not complicit in human rights abuses

### Labour principles

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

**Principle 4:** The elimination of all forms of forced and compulsory labour

**Principle 5:** The effective abolition of child labour

**Principle 6:** The elimination of discrimination in respect of employment and occupation.

The Hoffmann group upholds and promotes human rights as described in the “Universal Declaration of Human Rights”. Furthermore, Hoffmann upholds the core labour standards of the ILO which include:

1. Conventions No. 138 (Prohibition of child labour)
2. Convention No. 111 (Discrimination, employment and occupation)
3. Convention No.87 (Freedom of association and protection of the right to organise) and convention No. 98 (Right to organise collective bargaining)
4. Convention No. 29 (Forced labour) & No.105 (Abolition of forced labour)
5. Convention No. 100 (Equal remuneration)

## Supplier’s Conduct as required by the Hoffmann Group

We expect our suppliers to conduct their daily operations in a responsible and ethical manner with compliance to all applicable laws and regulations.

We expect that suppliers have procedures in place to inform their employees about the Universal declaration of human rights and the ILO standards above.

### Child labour

**Definition:** *Child labour is work that is unacceptable because the children involved are too young and should be in school, or because the work they do is unsuitable and can harm them seriously.*

Hoffmann does not tolerate child labour under this definition.

Children who are younger than the age of compulsory school completion or under the age permitted by either local legislation or as stated by the International Labour Organisation “labour standards” should not be employed other than under the terms described by “responsible child labour” below.

### Responsible child labour

**Definition:** *Responsible child labour refers to children under the age of 15, performing light work on a part time basis outside school hours, with the consent of parents or guardians.*

### Forced labour

Forced labour in any form such as debt bondage, trafficking and other forms of modern slavery is not allowed.

Disciplinary sanctions that result in trapping employees economically, physically or any other form should not be used as penalties.

### Freedom of Association and Collective bargaining

We expect our suppliers to respect the rights of their employees to form, join associations that promote their interests at work and the business should recognise such associations and their right to collective representation in accordance with international conventions and National laws.

Employees should also be able to refrain from joining such associations.

We expect the supplier has procedures in place:

- For reporting of violence, mental or physical coercion, harassment, abuse or threats
- For investigating all complaints of misconduct and for taking the necessary preventative, remedial or disciplinary actions

## Non-Discrimination and Equal Opportunity

Employees should not be discriminated against because of race, religion, national origin, age, sexual orientation or gender and they should be treated in accordance to skills and qualifications regarding work issues.

We expect our suppliers to adopt non-discriminating practices and ensure equal treatment in employment/recruitment, employee benefits, promotion, compensation, access to courses/training, dismissal and retirement irrespective of race, colour, age, gender disability, religion/belief, origin/nationality, Trade union membership, language or any other status recognised by international law.

## Working Hours

We expect our suppliers to ensure compliance with the country's rules and regulations covering full time and overtime work. Overtime should be planned so that the employees are assured humane working conditions.

In cases where applicable National jurisdiction does not specify a figure for maximum working hours, then normal working hours shall not exceed 48 hours per week and 60 hours per week with overtime.

We expect that the suppliers ensure that the employees receive sufficient breaks and rest periods between shifts as well as at least one day off per week.

## Compensation

We expect that all our suppliers pay their employees a fair and equal compensation, in accordance with National laws and regulations, including overtime hours and all legally mandated benefits.

## Health and safety

All employees should be ensured a safe and healthy working environment based on the country's rules and legislation and as such, we expect our suppliers to establish and to ensure that:

1. Safety and health procedures are in place according to the country's laws and the production facility should be equipped properly to handle any adverse health and safety situations that may arise. The suppliers has the health and safety procedures written down in a language(s) that all employees understand.
2. A senior management representative/group are appointed with the responsibility for health and safety issues.
3. The employees are informed and trained on the safety and health procedures and in the use of equipment related to safety and health
4. Safety/protective and health equipment should be available, installed and maintained properly and are functional at all times.
5. Proper light, ventilation and fire exits should be available and easily accessible
6. Other amenities relating to the workers hygienic conditions such as availability of clean water, sufficient clean toilets and eating rooms should be in place
7. All hazardous substances should be clearly marked, stored, used and disposed of according to the manufacturer's instructions and by trained personnel
8. Accidents should be documented and processes changed to prevent the same accidents recurring

## Environment Principles

**Principle 7:** Businesses should support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

Hoffmann complies with applicable provisions for environmental protection that apply to its local premises.

### Supplier's Conduct as required by the Hoffmann Group

We expect our suppliers to conduct business in a sustainably responsible manner and uphold all applicable laws and regulations.

### Environmental Permits

We expect that the suppliers obtain, maintain all required permits and follow the requirements of the permits.

### Resource management

The suppliers are required to work towards better management of resources used. Measures for prevention, reusing and recycling should be in place to manage waste and energy.

### Hoffmann guidelines

In some cases the country's environmental legislation is very weak and the business should make every effort to reduce waste, energy use, emissions to water, air and soil in the various processes throughout the life cycle of the product as well as avoid the use of banned substances.

Hoffmann has prepared an "environmental requirements" document that all suppliers and sub suppliers must adhere to. The aim of these requirements is to:

- Limit toxic residues
- Reduce air, water and soil pollution
- Limit the use of chemicals and substances that are harmful to health and the environment

Businesses holding a licence of the European Ecolabel or any other equivalent ISO type I certification label do not need to document the environmental criteria.

The environmental requirements can differ depending on the specifications and properties required by the specific product.

## Anti-corruption Principles

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

The Hoffmann Group upholds and promotes all applicable anti-corruption laws and we aim to conduct our business in an ethical manner.

### Supplier's Conduct as required by the Hoffmann Group

#### Responsible business

We expect the same from suppliers, that they work and conduct business in an ethical manner and in compliance with all applicable laws and regulations.

We expect that our suppliers do not engage in any form of corruption and bribery with business partners and public authorities for the purpose of securing an advantage of any kind. We also expect that our suppliers do not ask or except bribes.

## General

### Products liability

Suppliers should make sure that products do not cause harm to health and safety of people and do not cause unlawful impacts to the environment

### Respectful treatment

### Legal compliance

We expect that our suppliers adhere to all applicable laws and regulations including prevailing industry standards

### Use of company security forces

We expect that company security forces are prevented from exercising excessive and uncalled force/infringements to others

### Violations policy

In cases of severe violations of the code, the supplier will be asked to seize the violation within a certain period depending on the violation. In certain cases, deemed as very severe, Hoffmann will terminate cooperation with the supplier in question.

### Other requirements for suppliers

The suppliers are required to cooperate fully with Hoffmann in ensuring the above requirements are adhered to and substantiated as required.

The supplier agrees to ensure that sub suppliers engaged in the production of Hoffmann's products are informed of Hoffmann's Code of Conduct and comply with the requirements.

We expect that all our suppliers maintain updated records/documentation relating to the Environment, Health and Safety including non-compliance in these areas. We expect also that our suppliers maintain administrative records such as employee details, time sheets and salary details.

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## Contact details RE: Code of conduct

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