



# Code of Conduct for Vendors

## Introduction

We, VAUDE Sport GmbH & Co. KG and our affiliates, are committed to full legal compliance and ethical practices in all our business activities.

This includes that we will purchase merchandise exclusively from those vendors who conduct their business in conformity with all applicable legal requirements and ethical standards. We will not accept any failure of compliance with laws regulating wages, working hours and working conditions of our employees and the people who produce the products we sell. We demand ethical and fair treatment for all workers who take part in the production process.

This also includes the non-acceptance of any exploitation or abusive treatment of workers who work for our vendors or their subcontractors. To this end, we have adopted a Code of Conduct for Vendors to clarify our expectations and requirements for all our suppliers. By signing this Code of Conduct they assure us that no illegal or exploitative practices or conditions prevail in either their facilities or those of their contractors.

No Code of Conduct can address each and every circumstance that may arise. Above all, we expect you to exercise good judgement, and a sense of fairness and decency in all your business decisions.

We look forward to working with you and thank you in advance for your support of this policy.



## **I. General Principles**

The following guidelines are to be regarded as fundamental, i.e. as absolute minimum requirements. Of course, we are aware that different countries adhere to different cultures and standards. We do not ask our vendors to orient themselves on our western standards, though we expect our vendors to set a benchmark in their respective countries by pertaining to the general working conditions.

### **Business Ethics Statement**

Our companies are committed to conducting business in an ethical manner and in compliance with all applicable laws, including those of the countries in which we purchase goods. We are committed to legal compliance and ethical business practices in all aspects of our business and seek to deal with vendors that share this commitment.

This includes amongst others: Fast, reliable, and favourable delivery of qualitative products, punctual and reliable payment, a fair price-performance ratio, good working conditions and equitable wages.

### **Our Relationships with Vendors**

Our relationships with vendors are based on the principle of fair and honest dealings at all times and in all ways. We seek to develop long-term business relationships with our vendors who share our principles. It is essential that our suppliers extend the same principle of fair and honest dealings to all others with whom they do business – including employees, subcontractors, and other third parties.

### **Code of Conduct Principles**

A significant component of any company's dealings relates to its employees and the employees of its contractors. Therefore, we emphasise our expectations for the treatment of workers and for workplace practices and conditions. Our Code of Conduct defines our minimum expectations and is not intended to be all-inclusive. In short, we expect those who produce merchandise for us to comply with all applicable laws, to act reasonably in all respects, and the assurance that no abusive or exploitative conditions or practices exist at their workplaces.



## **II. Employment Standards**

At the time of recruitment, all workers are to be clearly informed of the terms of employment as mandated by law and of the factory's own policies and regulations.

Licensees and factories are not permitted to withhold deposits as a condition of employment. The identity card of each worker is to be in his or her personal possession at all times.

### **A. Wages & Benefits**

Workers should be paid at least the minimum legal wage or a wage that is consistent with the local industry standards, whichever is greater.

Wages should be paid directly to the worker in cash or by cheque or by an equivalent means of payment; information relating to wages should be available to workers in an understandable form.

Benefits shall include, at a minimum, those mandated by law.

### **B. Hours of Work/Overtime**

Our companies as well as licensees and factories certify that they comply with legally mandated working hours, that employees are compensated for overtime according to local laws, and that they are in compliance with local limits on hours of work/days off. Should overtime work be necessary or mandatory, especially if the industry is seasonal in nature, workers are to be advised accordingly at the time of hiring.

### **C. Disciplinary Practices**

Every employee should be treated with respect and dignity. No employee should be subject to any physical, sexual, psychological or verbal harassment or abuse.

### **D. Employment Agencies**

Should licensees or factories use employment agencies in the recruiting and hiring of workers, licensees and factories are to pay these fees. Under no circumstances are these fees to be deducted later from the workers' wages by the licensees or factories or otherwise passed on to the workers.



## **E. Discrimination**

Our companies as well as licensees and factories should endeavour to recruit, train, promote, retire and terminate workers on equal terms on the basis of suitability for the job and without discrimination of race, age or gender.

## **III. Child Labour**

Licensees and factories shall comply with all applicable child labour laws and employ only workers who meet the legal minimum working age or are at least 15 years of age, whichever is greater. For certain jobs that require greater maturity or pose a higher safety risk, these workers are to be at least 18 years of age.

Licensees and factories must maintain official documentation of each worker's date of birth, or lacking this documentation, have some legitimate certification for each worker's age. This minimum working age requirement is applicable to all subcontracted work, in part or in whole, performed at home or in cottage industries.

## **IV. Forced or Indentured Prison Labour**

Licensees and factories shall not use any prison, indentured, bonded or forced labour. All workers are to work on a voluntary basis.

## **V. Foreign Contract Labour**

Regarding the employment of foreign contract workers, these employees are to be employed in full compliance with the labour and immigration laws of the host country. The contract terms under which foreign workers are employed are to be in writing and in the language of the foreign home country or in a language the workers can understand and read and they have to be accepted by the workers prior to their departure from their home countries. Recruitment fees, if any, are to be paid by the employer. The passports and visas of foreign workers are to be in their personal possession at all times and may never be withheld by the licensees or factories or any third party.



## **VI. Health and safety**

Employers must treat all workers with respect and dignity and provide them with a safe and healthy working environment. Factories shall comply with all applicable laws and regulations regarding working conditions. Standards and procedures should be elaborated to protect workers from fire, accidents and toxic substances. Lighting, heating and ventilation systems should be adequate. Workers should have access at all times to sanitary facilities which should be adequate and clean. Where residential facilities are provided for workers similar standards should apply.

## **VII. Environmental protection**

Employers shall comply with all relevant laws and regulations regarding the protection and preservation of the environment. In particular, employers should carefully monitor discharges and waste which could pollute the local environment.

We expect our vendors to guarantee their support of the above-mentioned framework and the ability to prove to us or to the interested public in a comprehensible, transparent and plausible manner that these requirements are met at all times.

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