

SKOGSTAD SPORT AS - ETHICAL TRADE PRINCIPLES (CODE OF CONDUCT)

SKOGSTAD believes in social accountability. An important aspect of social accountability is the working situation for the workers taking part in the production of products or services for SKOGSTAD. The aim of SKOGSTAD is to develop effective partnerships with our suppliers in order to secure good environmental and decent working conditions, directly or indirectly in the production of products or services for SKOGSTAD.

The Code of Conduct defines certain standards with which SKOGSTAD expects its suppliers to comply. SKOGSTAD is making its suppliers aware of the standards through distribution of this Code of Conduct. The suppliers of SKOGSTAD must continuously work to ensure that the production of their products and services takes place in compliance with the SKOGSTAD standards as defined in this Code of Conduct and they must ensure that their subcontractors comply with the SKOGSTAD standards. Contract workers, day labourers and casual workers of the suppliers and their subcontractors must all be included in the work.

The supplier must comply with the ethical principles and show progress. Documentation through third party audits, according to international standards/organisations. Suppliers will carry the costs of audits, unless other agreements are made. In cases of non-compliance, the supplier and SKOGSTAD shall establish a corrective action plan.

The Ethical Trade Principles are based on key UN and International Labour Organization conventions and documents. National laws shall be respected, and where the provisions of law and trade principles address the same subject, the most stringent shall apply.

1. Forced and compulsory labour (ILO Conventions Nos. 29 and 105)

- . 1.1 There shall be no forced, bonded or involuntary prison labour.
- . 1.2 Workers shall not be required to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice.

2. Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154)

- . 2.1 Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, obstruct, the formation of unions or collective bargaining.
- . 2.2 Workers representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.
- . 2.3 Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

3. Child Labour (UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, and ILO Recommendation No. 146)

- . 3.1 The minimum age for workers shall not be less than 15 and comply with
 - . 3.1.1 the national minimum age for employment, or;
 - . 3.1.2 the age of completion of compulsory education,whichever of these is higher. If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- . 3.2 There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
- . 3.3 No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.
- . 3.4 Policies and procedures for remediation of child labour prohibited by ILO conventions no. 138 and 182, shall be established, documented, and communicated to personnel and other interested parties. Adequate support shall be provided to enable such children to attend and complete compulsory education.

4. Discrimination (ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)

- . 4.1 There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- . 4.2 Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behavior, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

5. Harsh or Inhumane Treatment

- . 5.1 Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

6. Health and Safety (ILO Convention No. 155 and ILO Recommendation No. 164)

- . 6.1 The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- . 6.2 Workers shall receive regular and documented health and safety training, and such training shall be repeated for new or reassigned workers.
- . 6.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- . 6.4 Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

7. Wages (ILO Convention No. 131)

- . 7.1 Wages and benefits paid for a standard working week shall as minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.
- . 7.2 All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.
- . 7.3 Deductions from wages as a disciplinary measure shall not be permitted.

8. Working Hours (ILO Convention No. 1 and 14)

- . 8.1 Working hours shall comply with national laws and benchmark industry standards, and not more than prevailing international standards. Weekly working hours should not on a regular basis be more than 48 hours.
- . 8.2 Workers shall be provided with at least one day off for every 7 day period.
- . 8.3 Overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this is accepted when regulated by a collective bargaining agreement.
- . 8.4 Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 8.1 above), minimum in accordance with relevant legislation.

9. Regular Employment

- . 9.1 Obligations to employees under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.
- . 9.2 All workers are entitled to a contract of employment in a language they understand.
- . 9.3 The duration and content of apprenticeship programs shall be clearly defined.

10. Marginalized Populations

- . 10.1 Production and the use of natural resources shall not contribute to the destruction and/ or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

11. Environment

- . 11.1 Measures to minimize adverse impacts on human health and the environment shall be taken throughout the value chain. This includes minimizing pollution, promoting an efficient and sustainable use of resources, including energy and water, and minimizing greenhouse gas emissions in production and transport. The local environment at the production site shall not be exploited or degraded.
- . 11.2 National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained.

12. Corruption

- . 12.1 Corruption in any form is not accepted, including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials.

13. Animal Welfare

- . 13.1 SKOGSTAD and their suppliers shall ensure the animal's welfare and humane treatment, and to ensure animals will not in any circumstances suffer as a result of obtain any by-products.

- . 13.2 SKOGSTAD explicitly ban the use of real fur, mulesing of sheep and the practice of picking down from living birds.
- . 13.3 SKOGSTAD will only accept imitation fur and such made by synthetic fibers, and will explicitly ban any use of real fur, leather from animals and pets (l.e rabbit, cat, dog, guinea pigs etc), exotic animals and endangered animal species according to CITIS` (Convention on International Trade in Endangered Species) lists.
- . 13.4 SKOGSTAD do not accept any use of feather or down picked from live animals, and shall only originate from certified producers as a by-product from animals slaughtered for the meat/food market.
- . 13.5 SKOGSTAD do only accept mulesing-free wool.
- . 13.6 SKOGSTAD products from suppliers who test products or ingredients on animals, or pay others to do so, according to EU's Cosmetics Directive (Council Directive 76/768/EEC). This also applies to the supplier's subcontractors and also for production outside of EU.
- . 13.7 SKOGSTAD's supplier shall provide documentation on request.