

oberalp

G R O U P

CODE OF CONDUCT





The following Oberalp Code of Conduct (hereinafter CoC) is a part of the Conditions of Purchase agreed between THE SUPPLIER, as identified at the end of this document, and OBERALP SPA// Oberalp Deutschland GmbH// Dufour Industries SA - Pomoca // Wild Country Ltd., owner of the brands SALEWA, DYNAFIT, POMOCA, WILD COUNTRY and EVOLV (in all documents and hereinafter, THE COMPANY) and shall apply to each and every stage of the production and delivery of all goods ordered by and made for THE COMPANY (in all documents and hereinafter PRODUCTS).

This CoC builds on the International Human Rights Treaties¹ and especially the [Core Conventions of the International Labour Organisation \(ILO\)](#). It embodies the employment standards which should be universally recognized and respected, notwithstanding more relaxed standards which may be provided by applicable local laws in the countries where SUPPLIERS are located or where PRODUCTS are made. In case of differences or conflict between the CoC and the laws of the country of manufacture of PRODUCTS, the higher standard shall prevail.

Each SUPPLIER of PRODUCTS agrees that, by accepting orders from THE COMPANY, it will conform to, and implement the terms of this CoC and demand the same from each of its subcontractors. The SUPPLIER acknowledges that, should he fail to fulfill the terms of this agreement, THE COMPANY will reevaluate its business relationship and possibly terminate it if the SUPPLIER is not prepared to implement effective and immediate improvements.

A) SOCIAL REQUIREMENTS

THE COMPANY will only do business with suppliers who make PRODUCTS in factories where the following standards are respected, and where it is guaranteed that:

1. Child labour is not tolerated.

THE COMPANY has a ZERO-TOLERANCE policy when it comes to child labor. Contractors working to make PRODUCTS shall not employ any person below the age of 15 or below the age for completing compulsory education if higher, according to the laws of the country of manufacture (CRC, ILO Convention 138). No forms of slavery or practices similar to slavery, such as the sale and trafficking of children or compulsory labour will be tolerated. The SUPPLIER shall have a recruitment system to verify the age of a worker and maintain appropriate and reliable age –proof of all workers. Children in the ages of 15-18 shall not perform work which is unsafe or likely to harm their physical or moral development (CRC, ILO Conventions 138, 182). Working time for them shall be limited to 8 hours per day and may not take place during the night.

Whenever decisions or corrective measures are to be taken regarding children in the workplace, THE SUPPLIER shall make sure that the best interest of the child and his/her family are taken into account.

2. All employees are treated with respect and dignity.

THE COMPANY will not deal with suppliers whose employees are subject to physical, sexual, psychological or verbal harassment or abuse.

Women workers in particular shall receive equal remuneration, benefits, treatment, evaluation and pregnancy benefits. Workers who take maternity leave will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits. (UDHR, CEDAW, ICCPR, ICESCR).

Younger workers shall be given the opportunity to participate in education and training programs.

¹ This CoC contains the most important provisions for the protection of the rights of workers as found in the [1948 Universal Declaration on Human Rights \(UDHR\)](#), the [1965 International Convention on the Elimination of All Forms of Racial Discrimination \(ICERD\)](#), the [1966 International Covenant on Civil and Political Rights \(ICCPR\)](#), the [1966 International Covenant on Economic, Social and Cultural Rights \(ICESCR\)](#), the [1979 Convention on the Elimination of All Forms of Discrimination against Women \(CEDAW\)](#), and the [1989 Convention on the Rights of the Child \(CRC\)](#).



3. Employment is based on ability and there is no discrimination.

THE COMPANY will only deal with suppliers who do not practice discrimination in recruitment or with regard to employment practices such as salary, benefits, working conditions, discipline or termination, on the basis of gender, race, nationality, social or ethnic origin, religion, sexual orientation, political opinion, age, disability, handicaps or other status. (UDHR, ICERD, ICCPR, ILO Conventions 100 and 111).

4. Employment is freely chosen.

Contractors working to make PRODUCTS shall not use forced labour, whether in the form of prison labour, bonded labour, or otherwise. No employee shall be compelled to work through force, the threat of force, or intimidation in any form (UDHR, ICCPR, ILO Conventions 29 and 105). Workers shall not be required to lodge "security deposits" or their identity papers with the employer. Workers shall be free to terminate the working contract after giving appropriate notice to the employer.

5. Payment of a living wage is guaranteed.

Wages are essential to meeting the employees' basic needs. THE COMPANY will only deal with suppliers who compensate their employees fairly by providing wages, benefits and leave that is equal to or exceeding legal minimum wage or prevailing sports industry wage, whichever is higher. The wages paid must be adequate to cover living costs and allow a reasonable discretionary income in addition. (UDHR, ILO Conventions 26 and 131).

Each employee shall be informed correctly and clearly, in writing, about the specifications of their wages including rates and pay periods.

Deductions from wages which are not provided for by national law, or taken as disciplinary measures, shall not be permitted. The SUPPLIER shall not hold back any wages and employees may not be in debt towards the SUPPLIER in any way, in order to avoid the exercise of pressure on any worker to continue their employment.

In addition to their compensation for regular hours of work, employees shall be compensated for overtime work at the required rate according to the laws of the country of manufacture. In countries where such laws do not exist, compensation shall be at least equal to the hourly rate. All workers must be registered in the social insurance system and social contributions must be made in accordance with local requirements. The SUPPLIER shall provide paid annual leaves, holidays and other leaves, such as maternity leave, sick leave, and others prescribed by the law. If paid sick leave is not regulated in the country, workers shall be compensated adequately. The SUPPLIER shall pay bonus, pension and retirement benefits to all workers as mandated by the law.

6. Hours of work are not excessive.

THE COMPANY will only deal with suppliers who maintain reasonable working hours. Contractors shall ensure that the regular working schedule does not exceed 48 hours per week and shall guarantee that workers are provided with at least one day off after 6 consecutive working days. Overtime shall not exceed 12 hours per week. It shall not be demanded on a regular basis and shall always be compensated at a premium rate, (ILO Convention 1), and workers shall have the freedom to accept or to refuse overtime work.

Pregnant workers and nursing mothers who need to feed their babies shall be allowed reasonable breaks, without any deductions, during the day. The SUPPLIER shall take necessary steps for the safety of female workers at overtime work or night shift.

7. Working conditions are decent and safe.

THE COMPANY will only deal with suppliers who provide their employees with a safe and healthy working environment, designed to prevent accidents and injury to health, arising out of, or occurring in the course of work. At the very least, THE COMPANY requires that its suppliers comply with all



applicable minimum legal standards for workplace health and safety and protect the life and health of the employees. This includes protection from fire, accidents, and harm through toxic substances, and guaranteed access to drinkable water at all times. Moreover, lighting, heating, ventilation systems and sanitary facilities should be adequate. Factories must have safety and health policies and procedures that are clearly communicated to the workers. The same standards should apply to residential facilities if they are provided to employees.

Effective regulations shall be implemented to prevent accidents and minimize health risk as much as possible (ILO Convention 155).

8. Freedom of association is guaranteed.

THE COMPANY expects all of its suppliers to grant their employees the right to freedom of association and collective bargaining, in a lawful and peaceful manner and without fear of any disciplinary action, penalty or interference. (UDHR, ICCPR, ICESCR, ILO Conventions 87 and 98). Workers' representatives shall not be subject to discrimination and shall have access to all workplaces necessary to enable them to carry out their representative function. (ILO Convention 135 and Recommendation 143).

9. The employment relationship is formally established.

The relationship between THE SUPPLIER and its workers shall be regulated by a written contract with clear rights and obligations, and giving the parties the possibility of lawful termination. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting agreements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment.

B) ENVIRONMENTAL REQUIREMENTS

Environmental awareness and the protection of the environment are a priority for THE COMPANY. THE SUPPLIER shall implement an effective program and a system to tackle environmental issues in the factory, taking a precautionary approach. This includes applying the best available technologies and adequate measures to prevent pollution by reducing and managing waste as well as emissions to air and water, extending the use of environmentally friendly technologies for cleaner production, and supporting the sustainable use of natural resources. At the very minimum, THE SUPPLIER shall comply with all applicable environmental laws in the country of manufacture as well as internationally recognized standards. Where there is reason to believe that a process or activity in the production can have a negative impact on the environment, THE COMPANY will support the SUPPLIER in the development and implementation of policies to avoid or minimize it.

C) CORRUPTION

THE COMPANY conducts business with integrity, honesty and responsibility and promotes and supports initiatives to counter all forms of corruption. THE SUPPLIER shall guarantee that its business practices involving products of and for THE COMPANY are free of corruption, direct or indirect, including planned, attempted, requested or successful transfer of a benefit as a result of bribery or extortion.

D) SUBCONTRACTING

The COMPANY does not permit subcontracting without its prior written approval. Suppliers or Production Units may not subcontract any operation in the manufacturing process without prior written consent from THE COMPANY. All subcontractors must be disclosed by the supplier in writing, and approved by THE COMPANY, prior to the start of production. All salesman-sample and bulk production orders must be placed in facilities which, without exception, have been approved by the COMPANY in advance, and which have committed to implementing this CoC. The SUPPLIER is



required to continuously monitor approved subcontractors and sub-suppliers and guarantee social and environmental responsibility standards that meet or exceed our CoC and general Industry Standards. THE SUPPLIER is responsible of ensuring ongoing compliance and continuous improvement on issues needing improvement.

E) COMMUNICATION

In order to ensure that the content of the labor standards is available to all those whose well-being it intends to foster, THE SUPPLIER / FACTORIES, where “cut-make-trim” (CMT) stages take place and therefore are part of the FWF program shall post the “FWF Worker Information Sheet”. All other SUPPLIERS/ FACTORIES shall post this CoC prominently on the premises where goods for THE COMPANY are manufactured, both in English and in the local language, so that is easily available for workers to read.

Where available, THE COMPANY will provide a copy of the “FWF Worker Information Sheet” or the CoC in the local language of THE SUPPLIER and of its factories. Where this is not yet available, THE COMPANY will request the assistance of THE SUPPLIER in providing a translation of the document.

Cooperation between THE COMPANY and THE SUPPLIER is essential for the implementation of the CoC. THE COMPANY will provide assistance and training, and is open to comments and suggestions on the part of THE SUPPLIER to improve CoC compliance and the social and environmental conditions in the factories.

F) VERIFICATION AND CONTINUOUS IMPROVEMENT

THE COMPANY will perform audits in the factories on a regular basis, directly or through third-party organizations, to verify and assess the status and progress made in the factories. Where non-conformities are found, THE COMPANY will cooperate with THE SUPPLIER in carrying out the respective improvements towards compliance, enforcement or termination measures.

THE SUPPLIER shall provide the necessary support and cooperation in the implementation and monitoring of this CoC, by maintaining, preparing and providing the requested relevant information, and accompanying the personnel of THE COMPANY during the audits, including the possibility by auditing staff to question the workers in case it is needed.



THIS PAGE APPLIES ONLY TO CUT-MAKE-TRIM SUPPLIERS AND FACTORIES:

The **Oberalp Group** carries out business according to socially responsible policies, aimed at building longstanding relationships and sustainable implementation of decent working conditions for all those involved in our production. This requires a high level of trust and transparency along the supply chain. This allows us to build stronger partnerships and collaboration, and at the same time to be accountable for the labour conditions under which our products are manufactured, towards other business partners, consumers, and interested stakeholders.

To this effect, the **Oberalp Group with its brands SALEWA, DYNAFIT and Wild Country** is a member of Fair Wear Foundation (FWF) and has agreed that FWF will verify the implementation of the labour standards in all factories where stages of “cut-make-trim” (CMT) of our products take place.

For you as a CMT factory, this will have the following implications:

1. By signing this Code of Conduct (CoC) you endorse the labour standards of our CoC.
2. You must inform your employees about the labour standards, and the process of auditing and possible remediation. This must be done by displaying information in the local language in all workplaces, among other means. We will provide this information.
3. Your company will cooperate with audits in the factory, commissioned by us or by FWF. FWF will always give advanced notice of the audit. Reliable and professional auditors will be selected for this task. Please note that auditors interview workers during, but also before or after an audit.
4. After each audit, we will jointly agree a corrective action plan and a relative timeline if improvements are necessary. You will cooperate fully on the completion of the corrective action plan. You will inform your employees and consult with them about the corrective actions in a way that is in line with the usual communication practices in your company.
5. FWF has a complaints procedure. It enables workers and others to file a complaint about the implementation of the labour standards in the factory via a local contact point. You agree that workers are informed of this procedure. This can be done, for example, by posting the information in the factory, in trainings or by auditors who visit your company.

The **Oberalp Group with its brands SALEWA, DYNAFIT and Wild Country** will contribute actively to this programme.

We make leading products: technical mountain sports apparel and equipment for people that are passionate about the mountains. And our task is to make them responsibly. We are confident that the implementation of our CoC will benefit all stakeholders: your employees, your company, our company, our employees and our customers. Because if working conditions in the factories are good, the quality of our products improves, and their value increases.

Please find more information about the FWF programme on the website: www.fairwear.org or contact our sustainability Team: sustainability@oberalp.com

SIGNATURES



THE SUPPLIER must ensure that the management at all related facilities, including subcontractors, in which Oberalp PRODUCTS are made, have read, understood, signed and committed to implementing this Code of Conduct.

THE SUPPLIER and related FACTORIES hereby confirm to have read and understood the implications of our partnership with FWF and the Code of Conduct and to accept and follow all the rules contained in it.

SUPPLIER:

SUPPLIER:	
SUPPLIER NAME	NAME OF SIGNATORY (On Behalf of THE SUPPLIER)
DATE	SIGNATURE/ COMPANY STAMP

FACTORIES – (partly or) owned factories/ subcontractors used for Oberalp brands production:

1. FACTORY

1. FACTORY	
FACTORY NAME	NAME OF SIGNATORY (On behalf of the FACTORY)
DATE	SIGNATURE/ COMPANY STAMP

2. FACTORY

2. FACTORY	
FACTORY NAME	NAME OF SIGNATORY (On behalf of the FACTORY)
DATE	SIGNATURE/ COMPANY STAMP

3. FACTORY

3. FACTORY	
FACTORY NAME	NAME OF SIGNATORY (On behalf of the FACTORY)
DATE	SIGNATURE/ COMPANY STAMP