

# SUPPLIER CODE OF CONDUCT

## PROHIBITION OF FORCED LABOUR

### INTRODUCTION

ALBIRO AG is committed to sustainable, resource-saving and fair business activities.

In this guideline, ALBIRO AG defines a binding framework for action for business partners. It is therefore part of our comprehensive declaration of principles on respect for human rights and the Supplier Code of Conduct.

### DEFINITION

The International Labour Organization (ILO) has adopted two conventions regarding forced labour.

The Forced Labour Convention (No. 29), adopted in 1930, contains the definition of forced labour and provides that it should be punished as a crime. And the Abolition of Forced Labour Convention (No. 105), adopted in 1957, deals with state-imposed forms of forced labour.

At the international level, the term “forced labour” is defined in the ILO Convention No. 29 as “all work or service that is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”. ILO Convention No. 29 is supported by the ILO Convention on the Abolition of Forced Labour No. 105 that specifies that forced labour, as defined in Convention 29, can never be used as a means of political coercion, for the purpose of economic development, discrimination, labour discipline or as a punishment for having participated in strikes.

### RISK MANAGEMENT

ALBIRO AG has taken the following measures to counteract the risk of forced labour as far as possible:

- All production facilities and business partners are informed about this guideline and undertake to comply with it.
- Compliance with human rights standards in our supply chain at country and production level.
- All ALBIRO AG productions are obliged to have audits carried out and to present them. These audits are carried out by independent third-party companies such as amfori BSCI or FairWear.
- All production facilities and business partners are committed to transparency vis-à-vis ALBIRO AG in order to eliminate subcontractors, informal labour and forced labour.
- ALBIRO AG is committed to sustainable purchasing practices and the "Common Framework for Responsible Purchasing Practices"
- Developing a risk analysis (production country and production), on the basis of which measures are prioritized.
- Cooperation with other brands and stakeholders

### REQUIREMENTS FOR OUR BUSINESS PARTNERS

ALBIRO AG is against informal and forced labour.

We oblige our business partners and suppliers to comply with the strict social and ethical standards of our corporate principles and review this regularly.

### **Retention of Personal Belongings and Documents**

A worker's money and possessions, including passports and other personal documents, will be accessible to the worker at all times, and will not be withheld by the factory.

### **Wage Payments**

Payment will at least correspond to the national minimum wage, and workers will receive any additional benefits and social security that they are entitled to in accordance with laws and/or collective agreements. Wages and benefits will be paid on time, in accordance with a schedule determined by law, contract, and/or collective agreement. The production pays wages directly to the employee account. Payments are documented in the form of payslips and issued in a language the worker understands. Documentation and payroll records accurately show regular hours and overtime worked, as well as all incentives and deductions. The factory will not make or require illegal deductions, deposits, or disciplinary violations.

### **Leave, Leisure and Overtime**

Working hours, consecutive working days, public holidays, annual and parental leave are in accordance with national or local labour law, even if special provisions are made for employees based on gender, age, disability or other status. Any overtime is voluntary and will be accurately recorded. Workers will not be mandated or coerced into working beyond their contractually agreed working hours and are free to reject overtime work without suffering any negative consequences. Overtime work will be compensated according to national or local law. Employees are free to spend time outside working hours on their own time, moving freely and traveling outside their place of work and/or residence as far as this is possible. Employees are free from intimidation or negative consequences if they exercise this right. Reasonable arrangements will be made during working hours to provide workers with rest breaks and access to sanitary facilities and drinking water.

### **Migrant Workers, Refugees and Internally Displaced People**

Migrant workers, refugees and internally displaced persons are granted the same rights to safe and decent working and living conditions as other workers, including direct and timely payment and worker representation.

### **Debt Bondage**

All productions comply with the ILO's 'General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs'.

### **State-imposed Forced Labour and Prison Labour**

State-imposed forced labour refers to any labour forced upon an individual by a government, military, paramilitary, law enforcement, penal system or other public or publicly sponsored authority. As with other forms of forced labour, state-imposed forced labour, including prison labour, is prohibited.

### **Reporting**

All the company staff members are encouraged to report any case of non-compliance with the policy. The production recognises the importance of confidentiality and grants anonymity to the complainants. The production ensures that appropriate measures and punishment will be applied in case of non-compliance with such policy.

### **Dealing with complaints**

The responsible person will fully investigate all reported suspected violations of this policy. An investigator will be appointed for each reported case. All members of the investigative team shall be appropriately trained and experienced. The investigative team shall not include individuals who are biased or otherwise unable to address the matter fairly and impartially.

## REMEDIAL MEASURES

If a possible case of forced labour at a business partner becomes known, ALBIRO AG systematically and promptly takes measures to clarify the case and eliminate the forced labour. ALBIRO AG works closely with the FairWear Foundation to provide the best possible assistance to the persons concerned.

If a case of forced labour is detected, the following measures must be taken:

- Production must provide ALBIRO AG with initial information about the facts.
- Following an initial assessment, ALBIRO AG is working with FairWear to determine whether there is a case of forced labour
- Depending on the situation, various measures must be taken, which are then set out in detail in a time schedule and shared with production
- The employee must be integrated into a regular employment relationship
- ALBIRO AG shall monitor the production concerned until the case is fully resolved.
- The business relationship will not be terminated or restricted as long as the production is committed and takes the agreed measures in a timely manner.

We understand the implementation of due diligence as a dynamic development process. For this reason, ALBIRO AG regularly reviews the "suppliers code of conduct" and continues to develop it.



Corinne Loosli  
*Senior management*



Lukas Loosli  
*Senior management*

We hereby certify that we share, respect, comply and apply the values stated throughout the Supplier Code of Conduct.

Name of the company: \_\_\_\_\_

Place, Date: \_\_\_\_\_

Name of the signatory: \_\_\_\_\_

Signature: \_\_\_\_\_

Function of the signatory: \_\_\_\_\_