



CODE OF CONDUCT

Cavadino & Co Limited, as a corporate citizen, feels strongly committed to and obliged by respecting human rights and the environment. As such our production plants, their subsidiaries and/or third party parts and material suppliers involved in the supply of goods to our clients must at least adhere to the below outlined requirements.

When customers buy our goods they can be sure that they have been produced under acceptable conditions. That means the goods will have been produced:

- *lawfully, through fair and honest dealing;*
- *without exploiting the people who made them;*
- *in decent working conditions; and*
- *without damaging the environment.*

Cavadino & Co Limited seeks production partners considering cultural differences and economic variances that reflect the particular countries where we and our manufacturers are situated and accordingly cultivate relationships based on partnership; striving for long-term co-operation; contributing to company and workplace stability and progress.

Our manufacturing units are contractually obliged to ensure adherence to the requirements set out in our Code of Conduct and perform an initial self-assessment which is followed up with our own on-site regular inspections.

They are also obliged to disclose all necessary documents and materials, provide full access to their premises and to facilitate private interviews with any of their employees to Cavadino & Co Limited and/or our third party inspectors for the purpose of internal, off-site and on-site inspections as and when required.

Legal requirement - The minimum standards are based on International Labour Organisation (ILO) Conventions and must comply with the legal requirements of the producing countries, industry minimum standards, UN conventions and any other relevant statutory requirements; whichever requirements are more stringent.

Where specific ILO Convention numbers (articles) are provided for your reference in this document it is not implied that the requirements are limited to the mentioned articles or that the requirements are limited to what is described in this document.

Manufacturing processes – All premises involved in the manufacture of our products are subject to these standards. This includes premises used for any subcontracted processes (subcontracting means a process or processes being carried out by another factory unit), and also any dormitory accommodation.

- *Subcontracting must be declared when the order is placed and have our written permission.*
- *Manufacturing processes carried out from domestic premises (Home working) are not acceptable to us.*

A. Employment - Local laws on conditions such as minimum wages, hours of work, overtime and deductions must be met. (ILO Conventions 1, 14, 26, 95, 131 and Recommendation 85)

- The hiring of undocumented workers is forbidden.
- If no laws apply, the conditions for workers must be at least as good as the usual terms for workers in the area doing the same type of work.
- The average weekly working time shall not exceed 48 regular hours or 60 hours including overtime.
- Overtime must be voluntary and be rewarded at a premium.
- Employees are entitled to at least one full day off following six consecutive days worked.
- Employees must be given payslips that they can easily understand detailing their hours worked, gross wage, additional payments and deductions.
- Any deductions must be at a rate that is fair and reasonable by local standards, lawful and agreed upon at time of employment or contract renewal.

B. Employing children - Employment of children is prohibited in accordance with ILO Conventions, local laws and Minimum Age Recommendation 146 of which the most stringent must be followed.

- Apprenticeships and education-related work are acceptable as long as the child is not being exploited, there is no risk to the child's health, education and development, and they have the permission of the child's parents. (Article 32 of the United Nations Convention on the Rights of the Child)
- Every worker's documents must be checked to confirm their date of birth.

C. Forced labour - People must not be forced to work under threat of a penalty or prevented from leaving employment. (ILO Conventions 29 and 105)

- The use of forced labour, prison labour or bonded labour (people who are unfairly forced to work for them until they have paid off their debts) is strictly forbidden.

D. Disciplinary practices - In accordance with ILO Convention 105, all employees must be treated with respect and dignity. They must not be threatened with physical punishment, any form of mental or verbal abuse, sexual harassment or other forms of intimidation. Any disciplinary measures must be legally admissible.

E. Discrimination - All employees must be treated equally in accordance with ILO Conventions 100, 111, 143, 158 and 159.

- No discrimination shall be tolerated in hiring, remuneration, access to training, promotion, termination or retirement based on age, race, religion, gender, disability, social background, ethnicity, nationality, membership of an organisation, political affiliation, sexual orientation or any other personal characteristics.

F. Freedom of association - Employees must be free to (not) join legal associations and not be restricted in collective bargaining. Representatives of personnel shall be given access to their members in the workplace. (ILO Conventions 87, 98, 135 and 154)

G. Health, safety and welfare - ILO convention 155 and Recommendations 164 and 190. A safe and clean place of work must be provided meeting all local laws relating to health, safety and welfare in the workplace. This requirement also applies to any accommodation provided for the employees.

- A senior manager responsible for the health, safety and welfare of employees must be appointed. He/she must do all he/she reasonably can to prevent accidents and injury; including but not limited to, the provision of safety instructions, protective clothing and equipment, first aid materials and the safeguarding of emergency measures.
- Health and safety procedures will be prepared and the employees will be trained on a regular basis in these procedures. These procedures will be regularly tested. Regular fire drills, fire protection exercises and safety instruction programmes will be held.
- There must be adequate lighting and ventilation.
- Sufficient marked and unblocked escape routes and exits must exist.
- Sufficient fire fighting equipment must be available and it must be regularly checked for functionality.
- Employees must have free access to clean drinking water.
- There must be sufficient clean and freely accessible toilet facilities available.

H. Environment - All waste that is created in the workplace will be handled and disposed of in line with local laws, or in a way that will not harm the environment or the local population.

For Cavadino & Co Limited



Frederik H Cavadino
Director
Hong Kong, 1st September 2008

(rev. June 2018)