

Dear Business Partner,

LAUDE the Label empowers women around the world to find financial freedom through safe and meaningful employment at living wages. Our model is moving the fashion industry toward a more humane approach, where the Earth and the maker are valued equally to the customer. LAUDE the Label is committed to achieving fair, safe and healthy working conditions throughout our supply chain, and work to minimize environmental impact. This guide outlines our standards and expectations for partners to do just that. It also provides resources on how we will support our suppliers in achieving our standards, and even move beyond compliance. We seek to partner with suppliers who share a common vision of sustainability, accountability and transparency. To be an approved LAUDE the Label partner, you will need to affirm:

- Social responsibility. All our partners must sign our Code of Conduct which establishes basic requirements for ethical and legal operations, and allow for third-party audits.
- Safe & non-toxic. All our partners must comply with the Restricted Substance List referenced in this document and pass testing if applicable.
- Quality. All our finished products and fabric must pass our quality standards and testing protocol.

This document will be updated periodically to enable continuous improvement. We ask that you review carefully and sign at the end to confirm agreement. We look forward to a successful partnership with you. We are excited to build a better future together!

Sincerely,

A handwritten signature in black ink that reads "Carly Burson". The signature is written in a cursive, flowing style.

Carly Burson
Founder & CEO
Our code of conduct

LAUDE the Label is committed to conducting business in an ethical and legal manner that protects workers and the environment. Our Code of Conduct references the Global Social Compliance Program's (GSCP) Code of Conduct, which represents international standards for fair labor conditions and fundamental labor rights.

All our suppliers must commit to adhering to our Code of Conduct. Requirements in our Code of Conduct apply to the whole supply chain, including sub-suppliers and subcontractors. Standards comprised in our Code of Conduct equally apply to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly, part time, night workers, homeworkers, young workers and migrant workers.

Your signature on our Code of Conduct confirms that all finished goods, which you will manufacture and deliver to us, will be produced in full compliance with our Code of Conduct as well as the additional policies outlined in this guide.

1. Forced, bonded, indentured and prison labour

1.1 All work must be conducted on a voluntary basis, and not under threat of any penalty or sanctions.

1.2 The use of forced or compulsory labour in all its forms, including prison labour when not in accordance with Convention 29, is prohibited.

1.3 Our Suppliers shall not require workers to make deposits/ financial guarantees and shall not retain identity documents (such as passports, identity cards, etc.) nor withhold wages outside a legal contractual agreement.

1.4 Bonded labour is prohibited. Our suppliers shall not use any form of bonded labour nor permit or encourage workers to incur debt through recruitment fees, fines, or other means.

1.5 Indentured labour is prohibited. Our suppliers shall respect the right of workers to terminate their employment after reasonable notice. Our suppliers shall respect the right of workers to leave the workplace after their shift.

2. Child labour

2.1 Our suppliers shall comply with:

I) The national minimum age for employment;

II) Or the age of completion of compulsory education;

III) Or any otherwise specified exceptions; and shall not employ any person under the age of 15, whichever of these is higher. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.

2.2 Our suppliers shall not recruit child labour nor exploit children in any way. If children are found to be working directly or indirectly for the supplier, the latter shall seek a sensitive and satisfactory solution that puts the best interests of the child first.

2.3 Our suppliers shall not employ young workers under 18 years of age at night, or in conditions which compromise their health, their safety or their moral integrity, and/or which harm their physical, mental, spiritual, moral or social development.

3. Freedom of association and effective recognition of the right to collective bargaining

3.1 Workers have the right to join or form trade unions of their own choosing and to bargain collectively, without prior authorization from suppliers' management. Our suppliers shall not interfere with, obstruct or prevent such legitimate activities.

3.2 Where the right to freedom of association and collective bargaining is restricted or prohibited under law, suppliers shall not hinder alternative forms of independent and free workers representation and negotiation, in accordance with international labour standards.

3.3 Our Suppliers shall not discriminate against or otherwise penalize worker representatives or trade union members because of their membership in or affiliation with a trade union, or their legitimate trade union activity, in accordance with international labour standards.

3.4 Our suppliers shall give worker representatives access to the workplace in order to carry out their representative functions, in accordance with international labour standards.

4. Discrimination, harassment and abuse

4.1 Our suppliers shall respect equal opportunities in terms of recruitment, compensation, access to training, promotion, termination or retirement.

4.2 Our suppliers shall not engage in, support or tolerate discrimination in employment including recruitment, hiring, training, working conditions, job assignments, pay, benefits, promotions, discipline, termination or retirement on the basis of gender, age, religion, marital status, race, caste, social background, diseases, disability, pregnancy, ethnic and national origin, nationality, membership in worker organizations including unions, political affiliation, sexual orientation, or any other personal characteristics.

4.3 Our suppliers shall treat all workers with respect and dignity.

4.4 Our suppliers shall base all terms and conditions of employment on an individual's ability to do the job, not on the basis of personal characteristics or beliefs.

4.5 Our suppliers shall not engage in or tolerate bullying, harassment or abuse of any kind.

4.6 Our suppliers shall establish written disciplinary procedures and shall explain them in clear and understandable terms to their workers. All disciplinary actions shall be recorded.

5. Health and safety

5.1 Our suppliers shall provide safe and clean conditions in all work and residential facilities and shall establish and follow a clear set of procedures regulating occupational health and safety.

5.2 Our suppliers must take adequate steps 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. Appropriate and effective personal protective equipment shall be provided as needed.

5.3 Our suppliers shall provide access to adequate medical assistance and facilities.

5.4 Our suppliers shall provide all workers with access to clean toilet facilities and to drinkable water and, if applicable, sanitary facilities for food preparation and storage.

5.5 Our suppliers shall ensure that residential facilities for workers, where provided, are clean and safe.

5.6 Our suppliers shall assign the responsibility for health and safety to a senior management representative.

5.7 Our suppliers shall provide regular and recorded health and safety training to workers and management, and such training shall be repeated for all new or reassigned workers and management.

5.8 Our suppliers shall provide adequate safeguards against fire, and shall ensure the strength, stability and safety of buildings and equipment, including residential facilities where provided.

5.9 Our suppliers shall undertake sufficient training of workers and management in waste management, handling and disposal of chemicals and other dangerous materials.

5.10 Our suppliers shall not use any substance listed on the Restricted Substance List, found here, in the development of products under any circumstance:

https://www.aafaglobal.org/AAFA/Solutions_Pages/Restricted_Substance_List.aspx

By signing this agreement, the manufacturing partner is agreeing to remain 100% compliant with the Restricted Substance List.

6. Wages, benefits and terms of employment

6.1 Work performed must be on the basis of a recognized employment relationship established in compliance with national legislation and practice and international labour standards, whichever affords the greater protection.

6.2 Labour-only contracting, sub-contracting or home-working arrangements, apprenticeship schemes where there is no real intent to impart skills or provide regular employment, excessive use of fixed-term contracts of employment, or any comparable arrangements shall not be used to avoid obligations to workers under labour or social security laws and regulations arising from the regular employment relationship.

6.3 Our suppliers must compensate their workers by providing living wages, overtime pay, benefits and paid leave which respectively meet or exceed legal minimum and/or industry benchmark standards and/or working hours shall meet basic needs and provide some discretionary income for workers and their families collective agreements, whichever is higher. Access a living wage calculator here: <http://livingwage.mit.edu>

6.4 Our suppliers shall provide all workers with written and understandable information about their employment conditions, including wages, before they enter into employment; and about details of their wages for the pay period concerned each time that they are paid.

6.5 Our suppliers shall not make any deductions from wages that are unauthorized or not provided for by national law. Our suppliers shall not make any deduction from wages as a disciplinary measure.

6.6 Our suppliers shall provide all legally required benefits, including paid leave, to all workers.

6.7 Our suppliers shall always compensate all workers for all overtime at a premium rate, as required by law and, where applicable, by contractual agreement.

7. Working hours

7.1 Our suppliers shall set working hours that comply with national laws or benchmark industry standards or relevant international standards, whichever affords greater protection to ensure the health, safety and welfare of workers.

7.2 Our suppliers shall respect that the standard allowable working hours in a week are 48, excluding overtime. Workers shall not on a regular basis be required to work in excess of 48 hours per week.

7.3 Overtime shall be voluntary, shall not exceed twelve hours per week and shall not be requested on a regular basis.

7.4 Our suppliers shall respect all workers right to breaks during work shifts and to at least one free day following six consecutive days worked as well as public and annual holidays.

All our suppliers are required to post the LAUDE the Label Code of Conduct and LAUDE the Label grievance email (info@laudethelabel.com) in a conspicuous place frequented by all employees.

Please confirm your agreement to our Code of Conduct by signing in the space provided:

I represent and warrant that I have authority to sign on behalf of the company named below and to bind the company named below to the terms of this Policy.

Accepted and agreed to:

Factory/Manufacturer Name _____

Name of Company Officer _____

Title of Company Officer _____

Signature of Company Officer _____

Date _____