

CODE OF CONDUCT FOR SUPPLIERS

Mastermark Oy is committed to behave in a socially and ethically exemplary way and we believe that we are responsible for all the people who take part in the production and support of our products and services worldwide. Mastermark is a member of amfori BSCI, launched by the Foreign Trade Association. Mastermark's Code of Conduct refers to amfori BSCI Code of Conduct and Ethical Trade Initiative.

Ethical policy

Mastermark expects employers to respect fundamental human rights, to treat their workforce fairly and with respect. In order to make our position clear we have documented an Ethical Policy based on the Ethical Trading Initiative. Please see below.

Implementation

Due to diverse nature of our business, which involves global sourcing, there are many requirements which we purchase directly from factories in both high and low risk countries (amfori BSCI definition) in addition to small urgent requirements where we purchase from local wholesalers and use local printers and embroiders. On this basis we need to have a multi-tiered strategy for implementing our Ethical Policy, which is controlled through our preferred supplier network.

For suppliers based in High Risk countries

Independent third-party audits are conducted on our preferred suppliers and we ensure they achieve reasonable evaluations before any work is contracted.

For suppliers in Low Risk countries

All our preferred suppliers must sign this Code of Conduct before we conduct business, which in summary, confirms the following:

The supplier is prepared to abide with the Ethical and Environmental Policy below and ensure that any third party suppliers in the supplier's supply chain also comply with our Ethical and Environmental Policy.

Any major breaches of non-compliance either in their facilities or in third-party supplier facilities must either be rectified promptly or breaches reported to Mastermark in writing promptly.

The supplier must demonstrate they are implementing the Ethical and Environmental Policy with any third-party suppliers. There are three options for demonstrating implementation:

- Third party independent auditing
- Internal auditing if thorough and established procedures are in place
- "Self-certification" for factories in Low Risk Countries.

If the supplier fails to comply with either of the above, we may, at our sole discretion terminate any agreement or contract that is has with the supplier with immediate effect.

Ethical and Environmental Policy

Mastermark expects its suppliers to comply with the Ethical Trading Initiative (ETI) Base Code.

1. Employment is freely chosen.
 - There is no forced, bonded or involuntary prison labour.
 - Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.
2. Freedom of association
 - Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
 - The employer adopts an open attitude towards the activities of trade unions and their organisational activities
 - Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
 - Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.
3. Working conditions are safe and hygienic
 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. 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 minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
 - Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
 - Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
 - Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
 - The company observing the code shall assign responsibility for health and safety to a senior management representative.
4. Child labour shall not be used
 - There shall be no recruitment of child labour.
 - Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
 - Children and young persons under 18 shall not be employed at night or in hazardous conditions.
 - These policies and procedures shall conform to the provisions of the relevant ILO standards.
5. Living wages are paid
 - Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
 - All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.
6. Working hours are not excessive
 - Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.
 - In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.
 7. No discrimination is practiced
 - There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
 8. Regular employment is provided
 - To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
 - 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, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of the employment.
 9. No harsh or inhumane treatment is allowed
 - Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse of other forms of intimidation shall be prohibited.

The provisions of this code constitute minimum and not maximum standards. All companies applying this code are also expected to comply with national and other applicable law and, where the provisions of law and this Base Code address the same subject, to apply that provision which affords the greater protection.

Environmental Policy

Mastermark Oy is committed to sustainability and improving environmental performance in its own actions and in its supply chain.

Mastermark complies with the relevant environmental laws and obligations of the authorities. Mastermark is committed to protect the environment in all its actions and we expect our suppliers to abide our environmental policy.

We expect our suppliers to minimise their negative environmental impact on land, water, biodiversity, climate and air and manage any waste according to applicable laws and the manufacturer's instructions. The suppliers are obliged to demonstrate their environmental acts upon request from Mastermark.

Product safety

The suppliers are expected to ensure that its products are safe for the use they are meant for. Certificate of Conformity is a mandatory document for products that European Union has set such requirements. Mastermark sends the EU Certificate of Conformity to Supplier and Supplier is expected to fill the Certificate and send it back to Mastermark within 2 working days.

Whistleblowing

Mastermark has set up an anonymous whistleblowing channel to recognize breaches of these principles. The whistleblowing channel is found in www.mastermark.fi/en/whistleblowing.