

# CODE OF CONDUCT



## OVERVIEW

Veshin's mission is to raise greater consciousness with our supply chain partners, protect the environment and improve the quality of life. Veshin believes that there should be no **Fashion without the highest human standards**. Respecting the planet and people is the bare minimum requirement for doing business. Ethics at the heart of our business, and the respect for human rights, health and safety, and dignity for all our employees, and for all those who work in our supply chains and contribute to our products, must always be ensured.

Veshin operates like a family based on trust and esteem for each other. All management has very long lasting relationships with employees, thanks to a stable workforce, driven by mutual respect. However, we believe that there should be a system to ensure that this mindset is **applied at all times**, without making assumptions.

This culture of integrity is based on compliance with laws and regulations, including international standards, and also on commitment to the values of the company.

"Veshin Internal Code of Conduct" has been formulated from internationally recognized standards and buyers' COC in order to advance social responsibility.

## 1 SCOPE

As a minimum, Veshin ensures and expects that all direct, part time, and short term employees are treated as defined in this code of conduct.

## 2 LEGAL COMPLIANCE

Veshin requires complying with all **applicable national and/or local laws and regulations**, including but not limited to labour, immigration, occupational health and safety and the environment. All the necessary licences and permits to operate in compliance with international, national and local laws and regulations applicable to its business operations must be maintained.

In the event of a discrepancy between this Code and any applicable law, the most beneficial to the employees shall be followed.

## 3 LABOUR

### 3.1 Human Rights

Employment must be freely chosen. **Freedom of Labour** consists in not engaging or employing people, under any circumstances, against their own free will. There shall be no use of forced

labour, including bonded, prison, trafficked, or any other form of compulsory labour. (ILO Conventions 29 and 105)

There must be absolute **Prevention of Child Labour**, by not employing children below the legal minimum age requirement of the country. Veshin will not employ anyone below the age of 18.

There must be **Freedom of Association**, by respecting the right of employees to become members of a labour or trade union or otherwise. Workers' representatives shall not be the subject of discrimination and shall have access to all that is necessary to carry out their representation functions. (ILO Convention 135 and Recommendation 143)

### 3.2 Contract Conditions

All employees and supply chain contributors should earn a **Living Wage**. Wages and Benefits must comply with all applicable laws related to employee compensation, including those related to minimum wage, overtime hours and legally mandated benefits.

**Wages and benefits** paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income. (ILO Conventions 26 and 131). Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period.

Employees shall not be required to work in excess of 48 hours per week on a regular basis and shall be provided with at least one day off for every seven-day period. **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. (ILO Convention 1)

All employees must be covered by a **Legally-binding employment relationship**. 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 arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Younger workers shall be given the opportunity to participate in education and training programmes.

**Foreign or Migrant Workers**, where engaged, must be employed in full compliance with the labour and immigration laws of the host country. Prior to hiring, the basic terms of employment must be provided to workers in their native language or a language in which they understand. Passports and other forms of personal identification must remain in the worker's possession at all times and are never to be withheld by suppliers, facilities or any third party.

### 3.3 Respectful Workplace

Veshin ensures the protection and the rights of its partners. Veshin gives members and employees clear procedural guidelines in **identifying and reporting abuse & harassment**.

The company must treat all employees with respect, and provide work a work environment that is **free of all kinds of abuse and harassment**, including physical, sexual, psychological, and verbal. Workers' rights must be respected, and there must be no harsh and inhumane treatment, including any form of mental or physical coercion.

**Non-Discrimination** must be applied, by **respecting diversity** in the workplace and not engaging in any form of discrimination based on sexual orientation, race, color, religion, age, marital status, pregnancy, political affiliation, or disability in hiring and employment practices.

Layoff practices must be managed in accordance with Labour laws.

**Grievance Mechanisms** that include all forms of anonymous feedback must provide a means of reporting and appropriate follow-up measures while protecting the confidentiality of the complainant.

**Positive Labour Relations** should be promoted between employers and employees from the beginning to end of employment, including the process of contract signing, work assignments, employee management, probation period, opportunities for development, a good work environment, talent attraction and retention, probation period, opportunities for development, a good work environment, talent attraction and retention, pay raises, welfare and benefits, transfers, and end of employment.

## 4 HEALTH & SAFETY

Veshin has a dedicated Health and Safety Policy, which details all the procedures applied to the factories it operates in. Below is an overview.

### 4.1 Accident Prevention

**The Working Environment** must be a **safe and hygienic** place to work, with sufficient light, heating, and ventilation. Employees must be provided access to clean toilet facilities, to potable water, and, if applicable, to sanitary facilities for food preparation and storage.

The company must ensure that all **preventive measures** are taken to avoid accidents, injuries, and any effect on the health of employees. Appropriate attention shall be paid to **occupational hazards** specific to the industry and assure that a safe and hygienic work environment is provided. Effective regulations shall be implemented to prevent accidents and minimise health risks as much as possible (following ILO Convention 155).

Suppliers must ensure **Building Safety** and that the structure of the production unit is stable and safe, does not exceed the approved loading, and does not put people in jeopardy.

## 4.2 Fire Safety & Emergency Response

Building managers must take precautions to prevent accidents and injury to health from occurring in the course of work, by ensuring safe handling and storage of chemicals, the safety of machinery and equipment, electrical safety, the safety, strength and stability of buildings, including residential facilities where provided, and by providing adequate safeguards against fire.

Employers must provide workers with regular health & safety training, including fire safety training, training in waste management and handling of chemicals and other dangerous materials.

## 5 MANAGEMENT SYSTEM

Systems must exist to ensure that all above points are applied. These include the recording of any issue, with detailed follow-up procedures, and the training of relevant staff.

Veshin takes pride in prioritising business with Suppliers and Vendors who take sustainable initiatives to reduce their footprints by conserving natural resources, encourage the reduction of waste and eliminate, substitute or minimise the adverse environmental impacts and health & safety risks that may be associated with products and employees.