



Code of Conduct RFSU AB

RFSU AB believes that we have an important role in the development of a sustainable society and must ensure that human rights of the people whose work contributes to our business operations are respected.

This Code of Conduct is applicable to all our suppliers, their subcontractors and other business partners that do business with RFSU AB, registered in Sweden, corporate organization number 556039-2986.

This Code of Conduct is drafted in English. Any different language versions of this document shall be considered translation of convenience only and the English version will prevail in any case of discrepancy.

This Code of Conduct specifies what we require from our suppliers, their subcontractors and other business partners in order to fulfill our commitment to our owners, to our employees, and to our customers. It is the responsibility of RFSU AB's suppliers and other business partners to inform their subcontractors about RFSU AB's Code of Conduct and to ensure that these are implemented in every factory and workplace that produces finishes packs or otherwise handles goods or performs services to RFSU AB.

We want to emphasize that we value our Code of Conduct and we will actively work with our suppliers and other business partners striving to improve the paragraphs below.

We only base our requirements on national legislations and on internationally agreed standards such as the International Bill of Human Rights, ILO Core Conventions and the following;

- The International Convention on the Elimination of All Forms of Racial Discrimination
- The International Convention on the Elimination of All Forms of Discrimination against Women
- The Convention against Torture and Other cruel, Inhuman or Degrading Treatment or Punishment
- The Convention on the Rights of the Child
- The Convention on the Rights of Persons with Disability

1. Legal Requirements

Our general rule is that all our suppliers and other business partners must, in all their activities follow the national laws in the country in which they operate. Should any of the national law in the country or territory be in conflict with the requirements in this Code of Conduct the law must be followed. In such case the supplier must notify RFSU AB immediately, before signing this Code of Conduct.

However, RFSU AB's requirements may go beyond the requirements set by national law.

We have expectations that our suppliers, their subcontractors and other business partners are willing to work for improvement beyond the law.

2. Child Labor is not accepted

(Refer to ILO Conventions 138 and 182 and the UN Convention on the Rights of the Child)

2.1 Child Labor

RFSU AB does not accept child labor. No person shall be employed at an age younger than 15 (or 14 where national law so allows) or younger than the legal age for employment if this age is higher than 15 and have completed compulsory education.

The company must establish and implement a child labor policy to ensure that it does not employ anyone below the legal age of employment. It is vital that this policy covers actions to support any incident of child employment to find solutions for the child such as education, preferably in co operation with the child's family.

2.2 Young Workers

All legal limitations on the employment of persons below the age of 18 years must be followed.

We acknowledge that according to the UN Convention on the Rights of the Child, a person is a child until the age of 18. We recognize the rights of every child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with any education, or to be harmful to child's health or physical, mental, spiritual, moral or social development.

2.3 Student Workers

Student workers must have regulated working hours, which should not exceed the legal limit and shall never exceed 48 hour per week. Overtime must not exceed the numbers of hours allowed by the law of the country. If such limits do not exist, overtime work should not exceed 12 hours per week.

Overtime work must always be voluntary and compensated in accordance with the law.

The Student worker must have a working contract stating the period of work which should be limited enabling the student to continue and finalize education.

Wages must be paid regularly, on time and must reflect the experience, qualifications and performance of the Student.

3. Workers Rights

3.1. Basic Rights

3.1.1 RFSU does not accept any forms of forced or bonded labour and we do not accept the use of prison labor or illegal labor in the production of goods or services for RFSU AB (as defined in ILO Conventions 29 and 105)

3.1.2 Every employee shall be treated with respect and dignity. Under no circumstances do we accept the use by our suppliers, their subcontractors or other business partners of RFSU AB humiliation or corporal punishment, and no employee shall be subject to physical, sexual, psychological or verbal harassment or abuse.

3.1.3 Migrant workers shall have the identical entitlements as local employees. Any commissions and other fees in connection with the employment of migrant workers must be covered by the employer. The employer must not require the employee to submit his/her identification documents. Deposits are not allowed. Workers employed through an agent or contractors are the responsibility of RFSU AB's supplier and other business partners, and are thus covered by this code.

3.1.4(Refer to ILO 87 and 98) all employees have the right to form or join associations of their own choosing, and to bargain collectively. RFSU AB does not accept disciplinary or discriminatory actions from the employer against employees who choose to peacefully and lawfully organize or join an association. When the right to freedom of association and collective bargaining is restricted by law, the employer must not hinder other forms of collective bargaining and worker's organisation.

3.1.5 No employee shall be discriminated against in employment or occupation on the grounds of sex, race, colour, age, pregnancy, sexual orientation, religion, political opinion, nationality, ethnic origin, disease or disability. (Refer to ILO Conventions 100 and 111)

3.1.6 All employees are entitled to a written employment contract, in the local language, stipulating the employment terms and conditions. The employer has a responsibility to ensure that all employees are aware of their legal rights and obligations.

3.1.7 Special compulsory health tests such as genetic mapping, HIV and pregnancy tests are not allowed prior to or during employment(unless the work can pose serious health risks for the employee who is pregnant or HIV positive) and the result of such voluntary test must not constitute grounds for dismissal.

3.2 Wages, Benefits, Working hours and Leave

As a background to this chapter we quote the Universal Declaration of Human Rights, article 23:3, as a guidance regarding our ambition for our suppliers and business partners;

"Everyone who works has the right to just and favorable remuneration ensuring for themselves and their family an existence worthy of human dignity"

3.2.1 Wages must be paid regularly, on time and must reflect the experience, qualifications and performance of the employee. RFSU AB's minimum requirement is that employers shall pay at least the statutory minimum wage, the prevailing industry wage or the wage negotiated in a collective agreement, whichever is higher. All other types of legally mandated benefits and compensation shall be paid. No unfair deductions are allowed and the employee has the right to a written specification of how the wage has been calculated.

3.2.2 Ordinary working hours must not exceed the legal limit and shall never exceed 48 hour per week. Overtime must not exceed the numbers of hours allowed by the law of the country. If such limits do not exist, overtime work should not exceed 12 hours per week. Overtime work must always be voluntary and compensated in accordance with the law.

Piece-rate work should not be exempted from the right to overtime compensation. Employees are entitled to at least one day off in every seven day period.

3.2.3 The employees shall be granted and correctly compensated for any types of paid leave to which they are legally entitled. Examples of such leave include annual leave, maternity/parental leave and sick leave.

4. Health and Safety

All employees shall be provided with a safe and healthy environment. The supplier should establish written health and safety policies and implement a system to ensure occupational health safety. (ILO's convention no 187 and 164 as well as ILO's recommendations 190)

4.1 Building Safety

We require our suppliers and other business partners to make employee safety a priority at all time. No hazardous equipment or unsafe buildings are accepted.

4.2 Fire Safety

Emergency exits on all floors must be clearly marked, well lit and unblocked all the way out of the building. Evacuation through emergency exits must always be possible during working hours. Everyone working on the premises, including managers must be regularly trained in how to act in case of fire or other emergencies. Regular evacuation drills for all employees are required; evacuation plans and firefighting equipment must be in place.

4.3 Accidents and First Aid

The employer must work proactively to avoid accidents causing harm to any employee in the workplace.

Relevant first aid equipment must be available and where legally required a doctor or nurse should be available during working hours.

4.4 Working Environment

The premises must be regularly maintained and cleaned and must provide a healthy working environment. All employees must be provided free access to clean drinking water and hygienic toilets. The work premises must be well lit, adequately ventilated and kept at a tolerable temperature.

5. Housing

If a company provides housing facilities for its employees, the requirement regarding fire safety, environment and cleanliness under point 4 above should also cover these accommodations. The accommodations must be separated from the workplace and have a separate entrance. Employees should have free access to the accommodations.

6. Environment

The environment is of increasing concern globally and RFSU AB expects its suppliers and business partners to act responsibly in this respect. Our suppliers must comply with all applicable environmental laws and regulations in the country of operation. In particular, we are concerned about how the production of our products contribute to climate change and water stress.

6.1 Permits

The company must have the relevant environmental permits and licenses for its operations and should introduce and maintain a suitable environmental management system or equivalent in order to minimize environmental risks and continuously improve the company's environmental performance.

6.2 Handling of Chemicals

Chemical containers must be properly labeled and safely stored. A material data sheet (MSDS) must be available in the local language in the workplace. Any instructions in the MSDS must be followed. (Refer to ILO Convention 170)

6.3 Water Management and Wastewater Treatment

Water is a scarce resource in many parts of the world and should be used as efficiently as possible. All outgoing wastewater from wet processes must be treated before it is discharged. The treated wastewater quality must meet the requirement in local legislation or the BSF guidelines, whichever is stricter.

6.4 Waste Management

Any waste and in particular hazardous waste must be taken care of in a responsible manner and in accordance with local laws.

7. Management Systems

In order to maintain compliance with RFSU AB's Code of Conduct, local labor laws and environmental laws, it is important that RFSU AB's suppliers and other business partners have the necessary policies and management systems in place. Annual audits to follow up routines and policies should be implemented and all deviations carried through with action plans in line with system requirement.

This as our suppliers and other business partners are expected to continuously improve its work with RFSU AB's Code of Conduct.

8. Corruption

RFSU AB does not accept any form of corruption, which applies to all business and transactions in all countries in which we operate. (Refer to United Nations Convention against Corruption and OECD'S Guidelines for Multinational Enterprises)

We expect all our suppliers and other business partners to conduct their business in fair competition and in compliance with applicable law.

9. Monitoring and Execution

9.1 Co-Operation

RFSU AB expects all its suppliers and business partners to respect this Code of Conduct and to actively do their utmost to achieve our standards. We also expect our suppliers and other business partners to be transparent and not intentionally mislead our auditors. We believe in co-operation and we are willing to work with our suppliers and other business partners to achieve sustainable solutions and to promote suppliers and other business partners who are in compliance.

9.2 Monitoring

All suppliers and other business partners are obliged to keep RFSU AB informed at all times of where each product is being produced, including subcontracting and if applicable homework. Relevant documentation must be maintained for auditing purposes. We reserve the right to make unannounced visits to all units producing goods or services for RFSU AB, at any time. We also reserve the right to appoint an independent third party of our choice to conduct audits in order to evaluate compliance with our Code of Conduct. During audits we require unrestricted access to all areas of the premises, to all documents and to all employees for interviews. We also demand the right to provide employees with contact details for RFSU AB.

9.3 Supply Chain

RFSU AB's Code of Conduct applies only to direct suppliers, other business partners and manufacturers of goods or services for RFSU AB and their downstream subcontractors. We expect our suppliers and other business partners to impose the same requirement upstream in their supply chain, for example latex, paper, labels, packaging material and other components and raw materials. Examples of such requirements include banning the use of forced labor, chemical restrictions and treatment of wastewater.

9.4 Corrective Actions

RFSU AB audits aim to identify the gaps between the requirements in this Code of Conduct and the actual practices and conditions in the workplace. The auditor from RFSU AB or the audited company will usually be given the opportunity to propose and implement a corrective action plan. RFSU AB will follow up the implementation of the plan and verify that violations have been remedied. A supplier failing to undertake sustainable improvements within the stipulated time frame would seriously damage its relationship with RFSU AB. Unwillingness to cooperate or repeated serious violations of RFSU AB’s Code of Conduct and local law may lead to reduced business and ultimately termination of the business relation with RFSU AB.

Confirmation

We confirm that we accept the RFSU AB Code of Conduct for suppliers and other business partners.

Date _____

For _____

Name

Name

Title

Title