

Superdry Ethical Trading Code of Practice.

Version 4.0 Updated December 2020

Superdry's Ethical Trading Code of Practice (the "Code of Practice") sets out standards for Superdry to uphold in relation to our own colleagues and for our supply chain partners to uphold in relation to their employees.

Superdry believes that it is important to be a socially responsible business, promoting fair and sustainable employment practices internally and by supporting diversity and equal opportunities in the workplace both within its own operations and across its supply chain.

Superdry recognises that, within our supply chain, there are many different countries each with their own laws, cultures, norms, and traditions, which Superdry acknowledges and respects.

Recognising the complexity of global supply chains, we have established a physical presence within each of our three key sourcing regions: India/Sri Lanka, Turkey, and China. Within each key sourcing region, we have employed dedicated local ethical trading experts to map our supply base, monitor conditions in line with this Code of Practice, and establish baseline co-operation based on visibility, transparency, and a shared vision of a fair and sustainable conditions. We utilise third party auditors, NGOs and wider organisations to baseline conditions and provide independent expertise as needed.

Companies applying this code are expected to comply with national and other applicable law and, where the provisions of law and this Code of Practice address the same subject, to apply that provision which affords the greater protection.

Scope

All Superdry suppliers are subject to the conditions of our Code of Practice, which: -

1. Adopts the nine core principles of the Ethical Trading Initiatives (ETI) Base Code.
2. Represents a minimum benchmark for fair and safe conditions within all factories in our supply base. This code should not be used to prevent companies from exceeding these standards. Superdry is committed to working with our suppliers and all relevant bodies to deliver effective action plans for change.
3. Adopts additional clauses in recognition that sustainable production is considered core to baseline ways of working with Superdry and as such the below also includes criteria for environmental compliance.

We are aware that human rights risks may be disproportionately found within groups of

vulnerable workforces. Subsequently, tailored policies have been developed to address the rights and needs of our supply chain workers - including migrant and home-based workers - in meeting this Code. These policies are available within our Supplier Manual and are available on our website.

Responsibilities

Superdry is responsible for:

1. Monitoring the implementation of our Code of Practice through our supply chain using industry recognised methodologies including semi or unannounced ethical audits and site visits to assess performance against the Ethical Trading Code of Practice.
2. Providing reasonable assistance and training to our Suppliers in the implementation of the Ethical Trading Code of Practice.
3. Working collaboratively with industry partners, government organisations, non-governmental organisations (NGOs) and trade unions to implement the Ethical Trading Code of Practice effectively and use the most relevant techniques to assess policy adherence.

Our Suppliers are responsible for:

1. Signing up to our terms of engagement for Ethical Trading and Sustainable Supply Chains – provided in full in our supplier manual.
2. Monitoring the implementation of our Code of Practice in all Superdry approved factories and registered subcontracted units.
3. Providing full immediate and unaccompanied access and transparency to Superdry and/or our authorised representatives.

For the purpose of assessing compliance with the Ethical Trading Code of Practice, Superdry reserves the right to complete unannounced audits within or outside of the defined audit cycle. In such cases Superdry and/or our authorised representatives, must be given immediate unaccompanied access to the relevant site, without notice to the Supplier.

Reporting

1. Superdry will report progress made in our supply base within our Annual Report.
2. Superdry and our Suppliers will use reasonable endeavours to offer workers and other stakeholders a confidential means to report any actual or potential breach of the Ethical Trading Code of Practice.

Definitions

1. **Child:** Any person less than 15 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If however, local minimum age law is set at 14 years of age in accordance with developing country

- exceptions under ILO Convention No. 138, the lower will apply.
2. **Young Person:** Any worker over the age of a child as defined above and under the age of 18.
 3. **Child Labour:** Any work by a child or young person younger than the age(s) specified in the above definitions, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's education, or to be harmful to the child's or young person's health or physical, mental, spiritual, moral or social development.
 4. **Homework:** means any work carried out by a person in his or her home or in any other premises of his or her choice, other than the Supplier's facilities for remuneration which results in a product or service as specified by the Supplier. This includes work taken home by workers who normally work within the Supplier's facilities but who take work home from the Supplier's facilities to complete in their own time.
 5. **Modern Slavery:** Encompasses any slavery, servitude, forced and compulsory labour and human trafficking or analogous activity.

Ethical Trading Code of Practice - Standard Provisions

1. Employment is freely chosen*

- I. Under no circumstances shall Superdry nor any Supplier use or in any way benefit from any form of Modern Slavery including but not limited to, forced, bonded or involuntary prison labour.
- II. 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 and the right to collective bargaining are respected

- I. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- II. The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- III. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace*.
- IV. 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

- I. 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.

- II. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- III. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- IV. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- V. The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used*

- I. There shall be no new recruitment of child labour.
- II. 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; “child” and “child labour” being defined in the appendices.
- III. Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- IV. These policies and procedures shall conform to the provisions of the relevant ILO standards.

5. Living wages are paid

- I. 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.
- II. 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.
- III. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive

- I. Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

- II. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.**
- III. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- IV. The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.
- V. Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where all of the following are met:
 - i. this is allowed by national law.
 - ii. this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce.
 - iii. appropriate safeguards are taken to protect the workers' health and safety; and
 - iv. the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents, or emergencies.
- VI. Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

** International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced

7. No discrimination is practised*

- I. 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

- I. To every extent possible work performed must be based on recognised employment relationship established through national law and practice.
- II. 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 employment.

9. No harsh or inhumane treatment is allowed*

- I. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

10. The environment shall be protected

- I. All operations comply with local environmental legislation with appropriate operating permits and licenses, as well as relevant international agreements, principles, objectives, responsibilities, and standards with regard to the environment.
- II. Policies and procedures in place to comply with legal compliance for Environment in line with material environmental impacts.

11. All sub-contracting and home working shall be authorised

- I. Suppliers are not authorised to sub-contract any part of their business related to the production of goods or services they provide either directly or indirectly to Superdry without the prior registration, written consent and/or approval of Superdry.
- II. Similarly, sub-contractors are not authorised to sub-contract any part of their business related to the production of goods or services they provide either directly or indirectly to Superdry without the prior written consent and approval of Superdry.
- III. Homeworking is not authorised without the prior written consent and approval of Superdry (see 'Homeworker Policy').

12. Anti-corruption and Bribery*

- I. All suppliers required to comply with Superdry's Anti-Corruption and Bribery Policy (see 'Anti Bribery and Corruption Policy')

Zero Tolerance Principles with immediate critical impact to wellbeing are signposted with an * – requiring immediate remedial action in the interests of the impacted party and failure to co-operate will result in termination of our business relationship.

Ownership and Contact Details

This policy is owned by the Global Sourcing and Sustainability Director and managed by the Head of Sustainability.

Please contact your local Ethical Trading Manager with any questions relating to the Implementation of our Code of Practice.

Superdry's Head Office Sustainability and Ethical Trading team is contactable through: - ethical.trading@superdry.com.

