

The Promotions Dept. Social Accountability Best Practices – Supplier Code of Conduct

When selecting suppliers, The Promotions Dept. seeks to do business with reputable business partners who are committed to ethical standards and business practices compatible with those of The Promotions Dept. This Code applies to all suppliers of The Promotions Dept. including all of The Promotions Dept. suppliers' facilities. The Promotions Dept. strongly encourages suppliers to exceed the requirements of this Code and promote best practices and continuous improvement throughout their operations.

Best practices advocated for the predictability they provide assuring compliance with manufacturing standards related to labor include, but are not limited to:

- Written statement signed by manufacturers acknowledging the requirements
- Supply chain partner completed self-assessment documenting social accountability systems and practices for assuring compliance
- Manufacturer-based accreditation
- Supplier scorecards incorporating onsite evaluation
- Corrective action documentation
- Appointment of a compliance officer to communicate with supply base and monitor progress

Social accountability assessments include manufacturing practices as related to:

- Management Practices Controls
- Child Labor
- Forced Labor
- Health and Safety
- Freedom of Association
- Nondiscrimination
- Disciplinary
- Harassment and Abuse
- Working Hours
- Wages and Compensation
- Environmental Quality

Environmental Protection Requirements for Suppliers

- Comply with all applicable environmental, health and safety regulations.
- Promotes safe and environmentally sound development, manufacture, transport, use and disposal of products.
- Protects employees' and neighbors' life and health, as well as the general public against hazards inherent in processes and products.
- Uses resources efficiently, apply energy-efficient, environmentally friendly technologies and reduce waste, as well as emissions to air, water and soil.
- Minimizes impact on biodiversity, climate change and water scarcity.

Social Awareness Requirements for Suppliers

- Supports the protection of internationally proclaimed human rights, including minimum wage and working hours.
- Enforces against forced labor, child labor and discrimination at the workplace.
- Upholds the freedom of association and the right to collective bargaining.

Governance Requirements for Suppliers

- Abides by all applicable national and international antitrust and trade control regulations.
- Works against corruption including bribery and ensure that personal relationships do not affect business activities.
- Abstains from any money laundering activities.

We may request suppliers to comply with following:

- Self-Assessments: We may ask to fill in a questionnaire on compliance with our standards.
- Third-Party Assessments: We may solicit desk-top information from a third party, e.g. a data provider, on supplier compliance and performance with regards to our standards.
- Certifications/Statements: We may ask for a certification or statement confirming compliance with our standards.
- On-Site Audits: We or an authorized third party acting on our behalf may contact supplier and ask for permission to verify compliance with our standards on site.

Definition of terms and requirements:

Laws and Regulations

Suppliers must operate in full compliance with all applicable laws and regulations of the countries in which they operate and also in full compliance with this Code.

Corruption

Bribery, extortion and kickbacks are prohibited. Suppliers must comply with all applicable anti-bribery and anticorruption laws. The Promotions Dept. is subject to the U.S. Foreign Corrupt Practices Act ("FCPA"), which prohibits bribery of foreign government officials (including employees of state-owned enterprises). Improper payments by suppliers can create FCPA liability for The Promotions Dept. and its suppliers.

Child Labor

Suppliers must comply with local laws regarding the minimum age of employees. The minimum age for workers must be the greater of: (a) 15 years of age or 14 years of age where local law allows such an employment age consistent with International Labor Organization guidelines; or (b) the age for completing mandatory (compulsorily) education; or (c) the minimum age established by law in the country of manufacture.

In addition, Suppliers must comply with all legal requirements for the work of authorized young workers, particularly those pertaining to hours of work, wages, safety, working conditions, and the handling of certain materials.

Forced Labor

Suppliers must not use any type of involuntary or forced labor, including indentured, bonded, prison, slave or human trafficked labor.

Harassment

Suppliers must treat all workers with respect and dignity. No work shall be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse. In addition, Suppliers will not use monetary fines as a disciplinary practice.

Wage and Benefits

Suppliers must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime hours at such premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate. In addition, Suppliers must provide accident insurance to their workers for work-related accidents and compensation for work-related accidents resulting in permanent disability.

Hours of Work

Suppliers must ensure that on a regularly scheduled basis, except in extraordinary business circumstances, workers are not required to work more than (a) 60 hours a week, including overtime, or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture. In addition, except in extraordinary business circumstances, all workers are entitled to at least one day off in every seven day period.

Health and Safety

Suppliers must provide workers a clean, safe and healthy work environment in compliance with all legally mandated standards for workplace health and safety in the countries in which they operate. This includes any residential facilities a Supplier provides to its workers.

Nondiscrimination

Suppliers must ensure employment – including hiring, payment, benefits, advancement, termination and retirement – is based on ability and not on beliefs or any other personal characteristics such as color, race, caste, religion, age, maturity, nationality, social or ethnic origin, status, sexual orientation, gender, gender identity or expression, HIV, marital status, pregnancy, political affiliation, military service (Veterans), union membership, disability or any other status or characteristic that is not related to the individual's merit or the inherent requirements of the job.

Women's Rights

Suppliers will ensure women workers receive equal treatment in all aspects of employment. Pregnancy tests will not be a condition of employment and pregnancy testing – to the extent provided – will be voluntary and the option of the worker. In addition, workers will not be forced to use contraception.

Freedom of Association and Collective Bargaining

Suppliers must recognize and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association. Suppliers also must respect any legal right of workers to bargain collectively.

Environment

Suppliers must comply with all local environmental laws applicable to the workplace, the products produced, and the methods of manufacture. Additionally, Suppliers must not use materials that are considered harmful to the environment, but should encourage the use of processes and materials that support sustainability of the environment.

Communication

Suppliers should communicate, through their existing ethical operating standards/practices or through this Code, so that their workers, supervisors and permitted subcontractors are aware of the expectations /requirements detailed in this Code.

Monitoring and Compliance

The Promotions Dept. will take affirmative measures, such as announced and unannounced inspections of production facilities, to ensure compliance with this Code. Suppliers must allow employees from The Promotions Dept. or its designated representatives full access to facilities, documents, worker records and workers for confidential interviews in compliance with local laws.

Suppliers are expected to take necessary corrective actions to promptly remedy any identified noncompliance. The Promotions Dept. reserves the right to terminate its business relationship with any supplier who is unwilling or unable to comply with this Code when termination is allowed by local laws.

This Code generally includes standards that are objective, measurable and linked to applicable local laws. However, in certain areas there are terms that may benefit from further explanation.