

Stokke Code of Conduct

Rev. 3.1

Introduction

Stokke's core values support a strong commitment to economic, environmental and socially sustainable development. We strongly believe in the mutual interest for both our business partners and us to pro-actively meet with the present and future requirements of; our markets and from society in general. This will be done by demonstrating responsibility towards the people, the environment and choice of materials involved in the manufacture of our products or services, which enable Stokke to continue as a leading international children products brand.

At Stokke, we promote acceptable working and environmental standards, including animal welfare, in our supply chains. We cooperate closely with our business partners in pursuit of this objective. Accordingly, we have adopted this code of conduct (CoC) to illustrate what we expect both from our business partners and ourselves. The CoC covers human rights, workers' rights, the environment, corruption, and animal welfare.

Stokke is a member of the Ethical Trade Norway (ETN), a membership organisation for private and public enterprises and organisations. ETN is a resource centre and an advocate for ethical trade practices. Stokke reports annually to ETN, and this report is made publicly available.

Stokke aims to continuously improve policy and practice that support business partners to adhere to this CoC.

Principles

Stokke's suppliers shall supply goods and services that are produced in accordance with the CoC. Moreover, the suppliers shall communicate the CoC to their sub-suppliers and monitor implementation.

A supplier must be able to document adherence with the CoC at Stokke's request. Such documentation may take the form of self-declaration, follow-up

meetings, and/or inspections of the working conditions at production sites. The supplier is obliged to name and provide contact information for any sub-supplier that Stokke wishes to inspect.

In the event of a breach of the CoC, Stokke and the supplier will jointly prepare a plan for remedying the breach. Remediation must take place within a reasonable period of time. The contract may be terminated if the supplier remains unwilling to remedy the breach following repeated enquiries.

When selecting new suppliers, emphasis will be placed on social and environmental standards.

Requirements relating to own practice

Stokke will continuously work to improve our policies and practice to enable our suppliers and business partners to be able to adhere with our CoC.

Neither Stokke nor any of its employees shall ever offer or accept illegal or unlawful monetary gifts or other forms of remuneration in order to secure business related or private benefit, or benefit for customers, agents or suppliers.

Stokke and Stokke's suppliers and business partners shall avoid partners that operate in countries subject to international boycott by the United Nations and/or Norwegian Authorities.

Requirements to Supply Chain Conditions

Stokke's Ethical Trade Principles are founded on key UN and International Labour Organization conventions and documents. National laws shall be respected, and where the provisions of law and ETN's ethical trade principles address the same subject, the most stringent shall apply.

Stokke recognizes that its dealings with suppliers often take place in cultures with different norms and values. Certain standards, however, as set out in this CoC, are universally applicable and we expect everyone with whom Stokke has commercial dealings to meet these standards.

Stokke expects its suppliers to respect this CoC in the context of their own particular culture. The relationships with our suppliers are based on the principle of fair and honest dealings at all times and in all ways. Stokke specifically expects its suppliers to extend the same principle of fair and honest

dealings to all others with whom they do business, including employees, sub-contractors and other third parties.

1. Forced and compulsory labour (ILO Conventions Nos. 29 and 105)

- 1.1 There shall be no forced, bonded or involuntary prison labour.
- 1.2 Workers shall not be required to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice.

2. Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154)

- 2.1 Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, obstruct, the formation of unions or collective bargaining.
- 2.2 Workers' representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.
- 2.3 Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

3. Child Labour (UN Convention on the Rights of the Child ILO Conventions Nos. 138, 182 and 79, and ILO Recommendation No. 146)

- 3.1 The minimum age for workers shall not be less than 15 and comply with
 - i) the national minimum age for employment, or;
 - ii) the age of completion of compulsory education,whichever of these is higher. If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- 3.2 There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.
- 3.3 No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.
- 3.4 Policies and procedures for remediation of child labour prohibited by ILO conventions no. 138 and 182, shall be established, documented, and communicated to personnel and other interested parties. Adequate support shall

be provided to enable such children to attend and complete compulsory education.

4. Discrimination

(ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)

4.1 There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, caste, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

4.2 Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

5. Harsh or Inhumane Treatment

5.1 Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

6. Health and Safety

(ILO Convention No. 155 and ILO Recommendation No. 164)

6.1 The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. 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.

6.2 Workers shall receive regular and documented health and safety training, and such training shall be repeated for new or reassigned workers.

6.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

6.4 Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

6.5 Access to clean eating areas shall be provided. If the factory provides food for its workers, the canteen, in which the food is stored and prepared, must be located separately from the production area and also be clean and in a good condition.

7. Wages

(ILO Convention No. 131)

7.1 Wages and benefits paid for a standard working week shall as minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.

7.2 All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.

7.3 Deductions from wages as a disciplinary measure shall not be permitted.

8. Working Hours

(ILO Convention No. 1 and 14)

8.1 Working hours shall comply with national laws and benchmark industry standards, and not more than prevailing international standards. Weekly working hours should not on a regular basis be more than 48 hours.

8.2 Workers shall be provided with at least one day off for every 7 day period

8.3 Overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this are accepted when regulated by a collective bargaining agreement.

8.4 Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 8.1 above), minimum in accordance with relevant legislation.

9. Regular Employment

9.1 Obligations to employees under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.

9.2 All workers are entitled to a contract of employment in a language they understand.

9.3 The duration and content of apprenticeship programmes shall be clearly defined.

10. Marginalized Populations

10.1 Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

11. Environment

11.1 Measures to minimize adverse impacts on human health and the environment shall be taken throughout the value chain. This includes minimizing pollution, promoting an efficient and sustainable use of resources, including energy and water, and minimizing greenhouse gas emissions in production and transport. The local environment at the production site shall not be exploited or degraded.

11.2 National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained.

11.3 For the production of wooden products, the suppliers shall use either FSC certified wood or wood derived from sustainable forest management.

12. Corruption

12.1 Corruption in any form is not accepted, including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials.

13. Animal welfare

13.1 Stokke is strongly against mistreatment of any animals. Ethical aspects such as traceability, sustainability, safety, animal welfare, and labour and farm conditions shall be taken into account when choosing suppliers of animal fibres.

13.2 Leather products shall be manufactured using only the skins of utility animals such as pigs, sheep, goats and cows, where the animals have been originally slaughtered for the meat market.

13.3 Down shall be picked from dead birds only which are by-products from the food industry.

13.4 Only fur from animals being hunted in a humane manner shall be used, and never from animals raised in cages in the fur farming industry.

13.5 The use of unethical and inhumane production processes such as mulesing is prohibited.

13.6 Stokke is against animal testing and encourages all business partners to follow our policy in this matter.

14. Management systems of suppliers

The management system is key to the implementation of the code of conduct. **Stokke** emphasises the importance of suppliers having systems that support such implementation. **Stokke**'s expectations in this regard are summed up in the following measures:

- The supplier should make a centrally placed employee responsible for the implementation of this CoC in the supplier's business.
- The supplier must make this CoC known in all relevant parts of its organisation.
- The supplier must obtain **Stokke**'s consent prior to outsourcing production or parts of production to a sub-supplier/contractor, if this has not been agreed in advance.
- The supplier must be able to give an account of where goods ordered by **Stokke** are produced.

Declaration

We hereby declare that we <**Company name**> have read and understood this Code of Conduct and that we will adhere to the standards. In the case of non-compliance of this Code of Conduct we will inform Stokke about this and submit a plan for how to reach compliance.

We furthermore agree to inform our sub-contractors about this Code of Conduct and do everything we can to ensure that they also comply with the requirements stated.

Company name:

Date _____ Place _____

Sign. _____

ILO conventions and recommendations:

International Labour Organisation conventions and recommendations cover a broad range of subjects concerning work, employment, social security, social policy and related human rights. The conventions are legally binding international treaties that may be ratified by member states. The recommendations serve as non-binding guidelines

UN Convention of the Rights of the Child:

The United Nations Convention on the Rights of the Child is the first legally binding international instrument to incorporate the full range of human rights—civil, cultural, economic, political and social rights for children.