



16th February 2023

HELA GROUP CODE OF CONDUCT FOR SUPPLIERS

Dear Supply Chain Partner,

Hela Apparel Holdings PLC and its subsidiaries (hereafter referred to as “Hela” or “the Hela Group”) are apparel supply chain solution providers to some of the world’s leading apparel brands, and are obliged to comply with the compliance, legal and regulatory requirements of the Group’s customers, including the ILO conventions and other laws or regulations applicable to the jurisdictions it operates in. It is therefore important for the Hela Group to conduct business with suppliers (hereinafter referred to as “supply chain partners”) that adhere to the same standards, and share the same principles and values.

To ensure this, we have established the “Hela Group Code of Conduct for Suppliers” (hereafter referred to as “the Code”) and it shall be the responsibility of all supply chain partners to maintain strict adherence to the provisions of the Code and enforce these standards within their own production facilities, businesses, and supply chains.

1. Legal and Ethical Standards

All supply chain partners shall comply with the legal requirements of the country in which they operate, as well as any additional standards explicitly agreed with the Hela Group or its end customers.

2. Human Rights

Child Labour: Supply chain partners of the Hela Group must ensure that they do not employ, directly or indirectly any person under the age of 16 years.

Forced Labour/Modern Slavery: Labour employed by supply chain partners must be voluntary, and workers must be free to leave their workplace after completing their standard working hours, or to leave the company respecting legal and reasonable notice.

3. Non-Discrimination

Hela supply chain partners must not resort to or allow discrimination in hiring, compensation, access to training, promotion, benefits, termination or retirement on the basis of race, religion, beliefs, gender, marital or maternal status, age, political involvement, disability, sexual orientation, or any other basis.

4. Disciplinary Practices

Hela supply chain partners must treat their workers with respect and dignity. Any form of behaviour, including gestures, language and physical contact, that is sexually coercive, threatening, abusive or insulting is forbidden. Disciplinary practices must be written, understandable and communicated to all employees.



5. Grievance Mechanism

Hela supply chain partners must ensure that they have internal mechanisms, where workers can report any grievance or industrial dispute.

6. Compensation and Work Hours

Hela requires supply chain partners to pay employees in accordance with the applicable legal requirements of the country in which they operate, including all regulations pertaining to minimum wage, overtime, maximum work hours, benefits, and any other conditions of compensation as mandated by the applicable law. Supply chain partners must also establish a work schedule that is consistent with applicable legal requirements and must grant at least one-day rest as part of the regular weekly work schedule.

7. Workplace Environment

Hela supply chain partners must ensure that their employees are provided with a safe and healthy work environment and are not subject to hazardous or unsanitary conditions.

8. Freedom of Association

Hela supply chain partners shall recognize and respect the right of employees to freedom of association and collective bargaining.

9. Environment and Community

Hela requires its supply chain partners to comply with the environmental rules, regulations and standards applicable to their operations. This includes waste management practices, water treatment, hazardous waste disposal, air emissions, and other significant environmental risks.

10. Import and Export Regulation Requirements

Hela does not condone or permit any activities that violate any customs laws or international treaties, including, but not limited to, false declarations of country of origin or other false documentation, counterfeit visas or illegal transshipment. As such, all supply chain partners must comply with all applicable import and export regulations.

11. Brand Protection, Confidentiality and Trademarks

Supply chain partners must agree to treat all information of the Hela Group as confidential information and not to disclose such information/design or trademarks without prior written consent from Hela. Supply chain partners must further agree that they will not reproduce items and/or sell items bearing a Hela trademark or other identifying mark of the Hela Group or its customers without prior written consent.

12. Use of Subcontractors

Any subcontractor used by a supply chain partner must comply with the same standards as the supply chain partner themselves. If any subcontractor is used in fulfilling any purchase order from the Hela Group, the supply chain partner will ensure and verify that the obligations under this Code of Conduct are met and



complied with by the said subcontractor. The supply chain partner will also provide Hela with all information it may request regarding any subcontractors and their relationship with them. A revised list of subcontractors must be forwarded to the Hela compliance team with each addition or deletion as they occur.

13. Right of Inspection

Hela or a third party designated by the Hela Group may conduct announced on-site inspections of production facilities, to ensure and monitor compliance with these standards. All supply chain partners are subject to inspection. Any failure or refusal to comply with these standards may result in immediate cancellation by Hela of all its outstanding and/or future orders with said supply chain partners as well as termination of the relationship. This also pertains to the use of any third-party subcontractor.

14. Transparency

To ensure reliable and continuous monitoring of compliance with local law, principles and this Code, Hela expects its supply chain partners to be transparent on their organizational structure, management systems and to share data related directly to the adherence to the terms and standards mentioned herein. This should be shared upon request or during announced/unannounced visits or assessments by Hela team or any other party mandated by Hela Group. Supply chain partners are also required to inform Hela in writing prior to any change of production site.

15. Chemicals

Hela supply chain partners must protect the health of their workers, end customers, the environment and communities in which they operate by complying with all local standards in relation to use of chemical and any additional standards explicitly agreed with the Hela Group or its end customers. Supply chain partners must also adopt continuous improvement measures throughout their supply chain to avoid and reduce the use of hazardous substances by substituting them or by using implementing new technologies or processes.

16. Responsible Materials

Hela requires that its supply chain partners do not use any raw material where forced or child labour are used in the supply chain, and supply chain partners are expected to conduct regular due diligence on their supply chains to confirm this. In particular, supply chain partners must not, knowingly or unknowingly, source cotton fibres, or any products containing such fibres, from Uzbekistan, Turkmenistan, People's Republic of China (including the Xinjiang Uyghur Autonomous Region), Democratic People's Republic of Korea, or the Syrian Arab Republic, where there are concerns use of forced labor and/or child labor in growing and harvesting cotton. The Hela Group also reserves the right to add or remove countries, regions from this list upon written notification to its supply chain partners.

17. Conflict Minerals

Hela is committed to ensuring that its supply chain does not support any abuse of human rights including sourcing from the illicit mining of any materials, specifically, tin, tantalum, tungsten or gold in the Democratic Republic of Congo (DRC) and its neighboring countries (Zambia, Angola, Republic of the Congo (Brazzaville), Central African Republic, South Sudan, Uganda, Rwanda, Burundi and Tanzania). Therefore, Hela requires that supply chain partners do not source these material from the aforementioned



countries and regions. The Hela Group also reserves the right to add or remove countries, regions, and minerals from this list upon written notification to its supply chain partners.

18. Corruption

The Hela Group has a zero tolerance policy on bribery and corruption, and does not tolerate bribery in any form, active or passive. Supply chain partners must not, in connection with any aspect of their business with Hela, directly or indirectly give or offer any bribe or other improper payment or benefit to influence another individual, company, organization, government official or body, or political party or candidate, regardless of whether it is officially tolerated or condoned.

19. Management and Communication

Hela supply chain partners must appoint a qualified management representative to be responsible for communicating this Code to all its employees and ensuring its implementation through its management system, trainings, and operations.
