

Better Together.



Simba Global Ethical Sourcing Policy 2020.

Our Why

We acknowledge that the textile industry has a history of poor labour and environmental practices. We also acknowledge that our industry sources from countries at risk of worker exploitation, modern slavery and causing environmental harm.

As such, we are committed to integrating ethical, social and environmental business practices into all aspects of our operations. As one of the major procurers of textile products from high-risk regions, we recognize our unique position to impart real change, not only in these regions, but across our global supply chain.

Aligned with our motto of 'better together', we value our customers, our suppliers and all employees in our supply chain and aim to empower them to work with us to pursue a sustainable future.

While this policy reinforces our ethical procurement commitment and sets a clear direction for our suppliers, we know there will always be room to do more. We aim to lead our sector in sustainable and ethical sourcing and strive for continuous improvement in our own operations and our supply chain.

Our Expectations

1. Our policy outlines the minimum acceptable ethical, labour and environmental standards that we will work to.
2. We will benchmark our current position and document the work that needs to be done by us and our business partners to ensure a sustainable and ethical supply chain.
3. Our commitments will be anchored by our values, our moral compass and the Rockefeller process that defines our business processes.
4. We will ensure we provide the resources to implement actions that meet our promises in the timeframes we have committed to.
5. Our staff, stakeholders and business partners understand and embrace these commitments.

Our Ethical Sourcing Criteria

A. Business Ethics

Business ethics involves ensuring honesty, transparency, accountability, integrity and respect for business relationships. Suppliers are expected to demonstrate professional business ethics in all dealings and provide transparent documentation and records if required.

Suppliers must not engage in, or offer to engage in, acts of bribery or corruption and must not falsify documents or records. Bribes, favours, benefits or other similar unlawful or improper payments, in cash or in kind, are strictly prohibited, whether given to obtain business or otherwise.

Supplier must demonstrate that they have documented anti-bribery and corruption policies which are communicated widely and actively enforced and monitored.

B. Labour Standards

Forced or Involuntary Labour

Suppliers must not use forced, bonded, slave or involuntary prison labour. Workers should not be made to lodge “deposits” or identity papers with their employer, and must be free to leave their employment anytime, after reasonable notice is given.

Simba will not tolerate any form of modern slavery including slavery and slavery-like practices and conditions (such as debt bondage, servitude, forced marriage and forced labour) or human trafficking. Simba is committed to an ethical and transparent approach to business, ensuring effective systems and controls are in place manage risks of modern slavery within our business operations and our supply chain.

Simba expects all suppliers to share this commitment and work towards the identification, management, mitigation and ultimate elimination of all forms of forced and involuntary labour from our collective supply chains.

Child Labour

Simba expects its suppliers to comply with the minimum legal working age of the country in which they operate. The worst forms of child labour (as defined by the ILO) refers to work that:

- is mentally, physically, or morally harmful to children
- can negatively affect their mental, physical, or social development
- interferes with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely, or requiring them to attempt to combine school attendance with excessively long hours and heavy work.

Suppliers must be able to demonstrate documented processes for verifying the age of job applicants. Policies, procedures, and training must be in place for legally employable juvenile employees (young employees, interns, and apprentices). Simba expects suppliers to be able to verify the age of all employees to ensure no child labour is used.

Simba expects suppliers to comply with the International Labor Organisation's Minimum Age Convention, 1973 (No. 138), where the minimum age for work is defined as being below the age for finishing compulsory schooling, and not less than 15 years of age.

Children and young persons below the age of 18 must not be employed at night and in hazardous conditions. Young workers must not be employed in conditions which compromise their health, safety or moral integrity, and/or which harm their physical, mental, spiritual, moral or social development.

Simba acknowledges that not all work done by children is classified as child labour. Participation by children in work that does not affect their health and personal development or interfere with their schooling, such as assisting in a family business or earning pocket money outside school hours and during school holidays is generally regarded as being positive. These kinds of activities may contribute to a child's development and to the welfare of their families; provides them with skills and experience and helps prepare them to be productive members of society during their adult life.

Freedom of association

Where the right to freedom of association and collective bargaining is restricted under local laws, suppliers will facilitate and not hinder the development of alternative means of free association and collective bargaining.

Where this is not restricted under law, suppliers shall respect that workers have the right to join a union or form trade unions of their own choosing and to bargain collectively in a legal and peaceful manner. Suppliers shall maintain an open attitude towards the activities of trade unions and their organisation activities.

Workers' representatives shall not be discriminated against and will be provided access to carry out their representative functions in the workplace.

Non Discrimination of workers

Suppliers shall not practice 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.

Suppliers must have a policy and system in place for workers to confidentially raise issues of concern on their own or through worker representatives without fear of retribution.

Working Conditions

Simba expects its suppliers to provide a safe and hygienic work environment including monitoring of compliance with applicable legislation, regulations and ILO standards. It is expected that workers receive adequate and regular training to perform their jobs in a safe manner.

Adequate steps shall be taken to prevent accidents and injury in the working environment. This shall include:

- incorporating safety measures relevant to the industry and conditions to promote incident prevention, fire protection and health preservation
- ensuring provision of machinery safeguards and personal protective equipment
- providing access to first aid equipment
- ensuring strength, stability and safety of buildings and equipment (including residential accommodation where provided)
- providing hygienic conditions without risk to health, including access to clean drinking water, proper sanitation of premises, appropriate facilities for food storage and access to clean toilet facilities
- ensuring accommodation, where provided, is clean and meets the basic needs of the workers (including ensuring separate accommodation by gender).

Regular Employment

Simba expects its suppliers to ensure, to every extent possible, that work is based on recognised employment relationship established through national law and practice. Employment provided to employees must be subject to labour and social security laws and regulations arising from the regular employment relationship. Obligations to employees shall not be avoided through labour-only contracting, subcontracting, or home-working arrangements, fixed term contracts or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment.

Remuneration

Suppliers must comply with all applicable national laws, standards, regulations or industry benchmarks, whichever is the higher, that regulate local wages, overtime compensation and legally mandated benefits. Wages should always be enough to meet basic needs and to provide for discretionary income.

All workers must 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 they are paid.

Deductions from wages as a disciplinary measure is not permitted. Deductions from wages not provided for by the national law are not permitted without the express permission of the worker concerned. Simba expect suppliers to keep accurate, complete, transparent and auditable records of all wages paid to workers.

Working Hours

Suppliers shall ensure that working hours comply with the national laws, collective agreements and international labour standards, whichever affords the greater protection for workers.

Working hours, excluding overtime, shall be defined by contract, and not exceed 48 hours per week.

All overtime must be voluntary and compensated at a premium rate, which is to be not less than 125% of the regular rate of pay or as prescribed by local laws (whichever is higher). It shall not be used to replace regular employment.

Suppliers shall ensure that total hours worked in any 7-day period shall not exceed 60 hours (including overtime), except where:

- it is allowed by the national law;
- it is allowed by a collective agreement freely negotiated with a worker's organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect workers' health and safety; and
- the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

Workers must have at least one day off in 7 days or, where allowed by the national law, two days off in every 14 days.

Record keeping on hours worked must be accurate, complete and transparent at all times.

C. Environmental Standards

Simba is committed to minimising its environmental impact and expects its suppliers to share this commitment. As a minimum, suppliers are expected to comply with all applicable laws and regulations relating to the environmental impacts of their business.

Suppliers are expected to maintain sound environmental management practices, including:

- having documented procedures for notifying local authorities in the event of an environmental accident resulting from the supplier's operations;
- maintaining an environmental hazards and risks register;
- taking preventative measures to minimise the environmental impacts of the supplier's business;
- ensuring compliance with national and international laws and standards affecting processes used to manufacture products;
- implementing practices to ensure appropriate waste and hazardous materials management (including implementing recycling systems and end of life treatment or reuse where possible);
- minimising harmful emissions to air, land and water; and
- conserving and protecting scarce resources (including energy and water use).

D. Subcontracting Standards

Suppliers must disclose and seek approval for subcontractors used for Simba production, and both suppliers and subcontractors must not refuse inspection from any Simba company or third-party auditor. Subcontracting means any site contracted by Simba suppliers to produce product in its final form for retail sale and sites that significantly contribute to the final form of the product. Suppliers must not source goods including raw materials or use subcontractors that have breached this policy or have been deemed unsuitable by Simba.

Suppliers must have documented policies and processes in place for effectively managing their subcontractors and other suppliers associated with the products or services provided to Simba. Suppliers must ensure that their sub-contractors and suppliers also operate in accordance with applicable laws, regulations and the Simba Ethical Sourcing Policy.

Simba retains the rights to request from its suppliers a list of their Tier 1 (direct) and potentially Tier 2 suppliers to ensure that human rights, environmental and governance risks can be effectively assessed and addressed through Simba's extended supply chain.

All suppliers involved in the production of goods procured by Simba must hold a valid business licence which includes a permit to manufacture at the producing factory.

Our compliance requirements

Simba is committed to working with our supply partners to ensure our ethical procurement commitments are realised. We will never expect our suppliers to do any more than we would ask of ourselves.

Suppliers are responsible for ensuring compliance with this Policy and shall maintain adequate records of all aspects of the ethical standards set out in this Policy.

Simba will monitor compliance with this Policy. From time to time, Simba employees, agents or its representatives will visit supplier factories or facilities to audit a supplier's compliance with this Policy.

Non-compliance with this Policy will require the supplier to undertake corrective actions, which will be dependent upon the nature of the breach. Suppliers will be expected to implement an agreed Corrective Action Plan (CAP) to address the identified breaches and have in place a process for regularly updating Simba's management team.

Where several follow-up attempts have failed or corrective actions are not satisfactory, Simba reserves the right to terminate the business relationship with the supplier.

Signed:

A handwritten signature in purple ink, appearing to read 'Kamal Somaia', written in a cursive style.

Simba Global CEO - Kamal Somaia

Date: **3rd June 2020**