

Supplier Code of Conduct

Having been formed in 1991 and as a well established business with suppliers in the UK, and trading internationally, we accept that we have a duty to trade and conduct our business responsibly.

For this reason we wish to ensure that the people with whom we are involved, including; suppliers, staff, consultants and representatives, share our values and standards and acknowledge that responsibility.

Accordingly, suppliers should comply with and seek to develop relationships with their own supply chains consistent with the principles set out below and should be compliant with all local laws and the following principles as a minimum.

Our principles are as follows:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practiced (also refer to our separate equality policy)
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed
10. Confidentiality
11. Sustainability
12. Quality
13. Modern slavery
14. Ethics
15. Audit and termination of agreements

1. Employment is freely chosen

There is no forced or compulsory labour in any form, including bonded, trafficked, or prison labour.

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

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

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

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

Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used

There shall be no recruitment of child labour.

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. Children and young persons under 18 shall not be employed at night or in hazardous conditions. Policies and procedures shall conform to the provisions of the relevant International Labour Organization' (ILO) standards.

A child is defined as 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 would apply. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, the lower age will apply.

A young person or young worker is defined as any worker over the age of a child as defined above and under the age of 18.

5. Living wages are paid

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.

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.

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

Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.

In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

7. No discrimination is practiced (see our Equality policy also)

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

To every extent possible work performed must be on the basis of a recognised employment relationship established through national law and practice.

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, subcontracting, 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

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. Confidentiality

The confidentiality of information exchanged in the course of business must be respected and never be used for illegal purposes or for individual gain. False information must not be given in the course of commercial negotiations. Non-Disclosure Agreements (NDA) and Non-Competition Agreements (NCA) must be observed and maintained with the exception of any instance where an attempt to override ethics or the disguise of subjugation, prejudice, slavery or any other criminal activity.

11. Sustainability

Suppliers should approach sustainability as a process of continuous improvement, and look to realise the positive sustainability benefits and manage the negative sustainability impacts relevant to their core business activities over the lifespan of their relationship with Source Design Ltd.

We support and encourage operating practices, farming practices and agricultural production systems that are sustainable. The supplier and representatives will continually strive towards improving efficiency and sustainability of their operations, which will include water conservation programmes.

12. Quality

Any goods supplied shall be without fault and of the best available design, quality, material and workmanship, be fit for any purpose held out by the supplier and representatives or made known to the supplier and representatives or for which they are commonly used and shall conform in all respects with any order and specification and/or patterns or samples supplied or advised by the supplier and representatives.

Any services supplied shall be provided by appropriately qualified and trained personnel, with due care and diligence, to such high standard of quality as is reasonable for us to expect in all circumstances and shall conform in all respects with any order.

13. Modern Slavery

Source Design Ltd is committed to better understand our supply chains and working towards greater transparency and responsibility towards people working in them in accordance with our policy of observing the spirit of the Modern Slavery Act 2015 in that:

- 13.1 Our suppliers are required to observe the spirit of the Modern Slavery Act 2015 and must ensure they are not directly engaged in slavery, servitude, forced and compulsory labour or human trafficking.
- 13.2 Suppliers must take steps they consider reasonable and proportionate, having regard to the nature of their business, to identify potential high and medium risks of slavery, servitude, forced and compulsory labour or human trafficking in their supply chains. To the extent it is commercially practicable suppliers should use their buying power to influence their suppliers from such prohibited activities.
- 13.3 Suppliers must be prepared to provide to us the names and geographical locations of their own suppliers, to the extent that these are the source of products supplied to us.
- 13.4 Suppliers must permit any of the company's staff, consultants acting on its behalf, or similar to inspect the Supplier's premises and interact with workers without notice at any reasonable time. The Supplier must co-operate with any such inspection and notify Source Design Ltd of the outcome of an equivalent visit by a party not associated with the company.

14. Ethics

Source Design Ltd is committed to sound corporate governance and supports the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Conflicts of interest must be avoided or managed and suppliers must avoid placing themselves under any obligation to people or organisations that might try to inappropriately influence them in their work with the company. They should not act or take decisions in order to gain financial or other material benefits for themselves, relatives, friends and close associates, other than payment from the company for the services they are contracted for.

Any conflicts of interest must be declared and managed to the benefit of the company.

Offers of gifts and hospitality should be avoided and under no account should these given or promised that could create suspicion of an intention to influence business transactions with the company, or give the impression that individuals have been or may have been influenced in exercising their corporate duties.

Where appropriate a modest degree of hospitality or gift in keeping with a normal business relationship may be offered, e.g. refreshments or a working lunch when visiting suppliers' premises, but should not exceed a value over £100, must not be cash, and be reported to an officer of the company.

15. Audit and termination of agreements

Source Design Ltd reserves the rights to verify the supplier's compliance with the Code. Where a supplier's reviews or audits demonstrate shortcomings in any of these areas, the supplier should strive to implement a time-bound programme of improvement (remediation) leading to conformance.

In the event that we become aware of any actions or conditions by supplier's, staff, consultants or representatives that are not in compliance with the Code, we reserve the right to request corrective actions.

Additionally, Source Design Ltd reserves the right to terminate an agreement with any supplier, consultant or representative/s that does not comply with the Code.