Schijvens Responsible Business Conduct Policy

January 2024

The purpose of Schijvens Responsible Business Conduct Policy is to define a framework for our business practices upstream and downstream. The framework will help us to navigate our work as responsibly as possible. Schijvens Responsible Business Conduct Policy ensures that our business contributes to lesser environmental and social impacts as much as technically, economically, and practically possible within the scope of our business.

The Responsible Business Conduct Policy is a complement to policies and documents listed below and aims to reaffirm our commitment to sustainable business conduct :

- Code of Conduct
- Internal Sourcing Policy as per Strategic Document
- Living wage policy as per Strategic Document
- Transparency policy as per Strategic Document
- Sustainable Material policy as per Strategic Document
- Chemical policy as per RSL/MRSL policy
- Schijvens Strategisch Plan
- Management Review
- Milieuaspectenregister
- Supplier manual
- Sustainability Report

Schijvens board of directors has overall responsibility for Schijvens' environmental and social work.

Schijvens commitment

The Responsible Business Conduct Policy applies to all of us: employees, members of the board as well as freelancers working as part of our operations. Violations of our Responsible Business Conduct Policy, including violations of any Schijvens policies and instructions, will not be accepted.

- We commit to following the policies listed above and the work procedures that will follow to comply with these policies.
- We commit to promote gender equality and empowering women in our supply chain through our programs, on living wages, leadership, and social dialogue as supported by our Strategic Document and Code of Conduct.
- We commit to encouraging worker representatives to participate in audits, meetings, and discussions with the management wherever it is relevant as per the Code of Conduct and Fair Wear Foundation´s (FWF) Code of Labour practice.
- We commit to facilitating training for implementing democratically elected worker´s committees as per the Code of Conduct.
- We commit to reducing the use of harmful chemicals in production as listed in the Chemical Policy Schijvens RSL and MRSL.

In addition, we have listed other commitments that fall under a responsible business:

- We commit to optimize our circular concept
- We commit to shared responsibility and dialogue on production planning and capacity with our supply chain partners.
- We commit to working towards equality between genders in terms of pay for similar roles, positions, and advancement at our offices as well as in the supply chain.

- We commit to increase our knowledge on our business' biodiversity impact and to build strategies to reduce the negative impact and to increase the positive impact on biodiversity.
- We commit to assessing water use in our production and to strive to reduce the water use by promoting more efficient water processes as well as the use of high-quality water treatment plants.

Schijvens respects the rights under the United Nations' Universal Declaration of Human Rights, The Core Conventions of the International Labor Organization, The OECD Guidelines for Multinational Enterprises, The Fair Wear Foundation Code of Labour practices and to follow the chemical legislation of the European Union.

Risks management

From the Human rights Due diligence perspective, the salient risks we identified, but not limit ourselves to are:

- child labour
- discrimination
- gender inequality
- forced labour
- excessive hours of work
- work-related health issues
- violations of the right of workers to establish or join trade unions and representative organizations of their own choosing and the right of workers to bargain collectively
- noncompliance with minimum wage laws and wage levels that do not meet a living wage level to meet the basic needs of workers and their families
- hazardous chemicals
- lack of water treatment
- high water consumption
- water pollution
- greenhouse gas emissions
- loss of biodiversity
- bribery and corruption.

Schijvens collects third-party data on human rights and environmental risks through reports, country studies, and local staff. In our Sustainability Report, the FWF Caps, our Management Review and Milieuaspectenregister we evaluate the risks connected to our business on various levels, such as the country, sector, business model, sourcing model, process, material and product level.

The Schijvens sourcing strategy together with the supplier evaluation process is fundamental in monitoring the environmental, climate, democracy, social and human rights risk per country and ensures the supplier's capabilities and capacity meet our requirements in order to set up the foundation for long-term business relationships, manage expectations and reach our goals.

Responsible Purchasing

Schijvens' aim is to reach long-term sustainability both in the upstream and downstream supply chain. By setting responsible procurement standards, collaborating, innovating, and embedding sustainable sourcing and purchasing. Responsible Purchasing at Schijvens defines standard methods and procedures for purchasing products and services from different suppliers respecting ethical standards. Responsible purchasing practices at Schijvens strives to include:

- Order and material forecasts
- Transparent product costing and a fair price for the products we purchase

- Discussions on delivery dates before and at order placement

Compliance with this policy is mandatory throughout all the steps of the garment supply chain where we make a direct purchase. Moreover, noncompliance with it could lead to action including termination of the supplier agreement. The Product development and production department are responsible for maintaining and implementing the processes defined in this policy. Schijvens strongly encourages transparency at every level and therefore also in costs and purchasing practices for production and certified fabrics. In order to prevent negative impacts and measure the development, Schijvens applies assessment methods and performance indicators ("PLM, leveranciersbeoordeling, leverdagenmeting"), monitors operational practices, learns from experience, and improves continuously and reports this back 'en groupe' during the Supplier Meeting.

Expectations of employees and supply chain partners

Employees are expected to read, understand, and follow our Responsible Business Conduct Policy, external and internal policies. Employees should also be transparent in any decisions and actions taken. Employees should never use their position, company assets, or deals for private gain.

We expect our suppliers to meet specific ethical and environmental standards in order to have a proficient and fair collaboration. We encourage our suppliers to identify and develop ongoing performance improvements, promoting sustainable business practices throughout the entire supply chain, as per all the goods and services purchased for, and utilized in our production. For both new and existing supply relationships, compliance with the Schijvens Code of Conduct. Our Code of Conduct is based on the Fair Wear Foundation Code of Labor Practice and reflects our commitment to acting ethically and with integrity in all our business relationships. The requirements stated in our Chemical Policy are set in line with best practices within the textile industry and legislation in our sales countries in and outside the EU.

Supplier onboarding process

Supplier contracts are fundamental in order to define the general purchasing agreement and the contingency plan to provide a general legal framework to the entire production process and relationship with the suppliers regarding lead time, delivery, and terms of fulfillment, as well as terms of payment. Schijvens aims to work with suppliers that share our ambitions and values regarding human rights, labor practices, climate, environment, and ethics. Schijvens has developed a scoring system to evaluate suppliers ("leveranciersbeoordeling"). The primary preference is always to source from existing suppliers. Schijvens strives to maintain long-term relationships with our primary suppliers, based in a limited number of countries. We might occasionally have to re-think the product, design, or details to achieve this goal.

We must also take responsibility for sustainable quantities and lead times in the supply chain.

Prevent negative impacts

Implementing improvement and prevention programs together with suppliers and worker representation is essential to comply with responsible purchasing practices. To ensure compliance and improvements of Schijvens' sustainability-related polices, constant consultation of all the stakeholders is involved and a strict monitoring and evaluation system is done.

Supplier assessment is fundamental to identifying issues and preventing negative impacts. Staff training and suppliers' awareness can help both the brand and the supplier itself; the development of the working force is fundamental for fair working conditions, a possible energy transition, the implementation of resource- effective processes as well as the quality of the production.

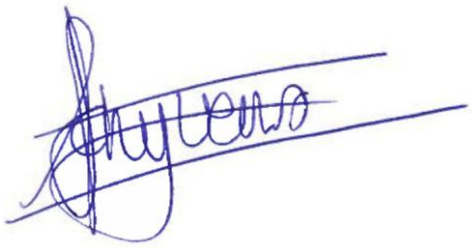
To prevent negative impacts throughout the supply chain, we practice responsible production planning, meaning that we discuss the capacity of our supplier and, with the updated assortment plan be able to have a stable production flow. This approach allows us to share responsibilities with suppliers and raise awareness of transparency and social and environmental compliance.

We also commit to using our position to influence stakeholders and politicians for a more sustainable textile industry while actively collaborating with value chain stakeholders and partners, including other producing brands.

Reporting

We monitor, measure, and review our sustainability performances regularly through our annual Sustainability report, the annual review of Schijvens environmental management system and the yearly Brand Performance Check by the Fair Wear Foundation. We ensure our progress by creating adequate and challenging goals and strategies moving forward.

Hilvarenbeek, 1 january 2024



Shirley Schijvens
owner Schijvens Confectiefabriek Hilvarenbeek BV and UFS Textiles Mersin

Commitment stated in the Code of Conduct / Social report:

Our commitment to our suppliers

- Continuously working to improve our policies and practices to enable our suppliers to be able to meet their commitments as outlined in this code of conduct.
- Treating suppliers with respect and consideration in all our dealings and communications.
- Communicating clearly, promptly and accurately on all issues concerning orders.
- Never negotiating a price that is below the cost of production, as this will have impact on the wages and working conditions of workers.
- Staying with our current supplier if a higher price will ensure decent wages and working conditions for workers, rather than moving our business elsewhere purely on the basis of price.
- Placing orders with lead times that do not trigger excessive working hours or sub-contracting
- Refraining from changing orders repeatedly and with short notice. If changes are unavoidable, amending target delivery times accordingly.
- Providing material and practical support to our suppliers in striving to meet their obligations under this code of conduct.
- Sharing the cost of implementing and monitoring improvements on working conditions.
- Taking pay and working conditions of workers into consideration when reviewing our business relationship, rather than ending a business relationship purely on the grounds of price. Unless benchmarking shows that prices are not competitive.
- Organize annually a supplier meeting to share best practices with each other and reward the best supplier of the year

2-way commitment stated in the Code of Conduct / Social report:

What do we expect from our suppliers?

- Operating within the laws relating to women and men workers and their working conditions and not engaging in corruption at any level.
- Treating women and men workers equally and with respect and consideration, upholding their dignity.
- Providing clear, understandable written information to workers on their wages, working hours, benefits, terms of employment and their rights as workers.
- Never using forced, bonded or involuntary prison labour or requiring workers to lodge deposits or identity papers. Allowing workers to leave freely after providing reasonable notice.
- Allowing women and men workers to join or form trade unions or other independent workers' organizations of their own choosing and to bargain collectively. Not discriminating against workers' representatives and enabling them to function in the workplace.
- Providing a safe and hygienic working environment; regular H&S training; access to potable water, clean, safe and separate accommodation and toilets for women and men.
- Not recruiting children. Make sure that children who are legally allowed to work does this under the correct conditions and not at night nor in hazardous conditions.
- Paying women and men equal wages for equal work for a standard working week; wages that are enough to meet basic needs and provide discretionary income. Not making unfair deductions from pay.
- Ensuring that working hours do not exceed 48 hours standard or 60 hours, including overtime on long term basis.
- Not discriminating against women or men workers on the basis of gender, race, caste, national origin, religion, age, disability, marital status, sexual orientation, union membership, political affiliation, medical condition etc.
- Providing regular employment and not avoiding obligations to employees through sub-contracting, home-working, apprenticeships or use of revolving short terms contracts.
- Not using or permitting harsh treatment to be used towards women or men workers including actual or threatened physical or verbal abuse, sexual harassment, or other forms of intimidation.
- Minimizing the impact of the production process on the environment and on the natural resources of marginalized people.
- Communicating clearly, promptly and accurately on all issues concerning orders.
- Informing Schijvens / Fair Wear Foundation, if their purchasing practices are undermining the supplier's ability to uphold decent working conditions.
- Willing to work together, to share open and honest all information and data with Schijvens to improve labour conditions and to lower down the environmental footprint.
- Willing to work together and treating all other participants with respect in the open and transparent value circle. In which all stakeholders are brought together.
- Taking responsibility in case an employment agency is used, to check and record the employees name, age, health and correct payments.
- Providing full transparency and insight in all production locations used for Schijvens garments down the entire supply chain.
- Work with open cost price calculations, so Schijvens has insight in how prices are built up, including labour costs.