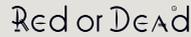


Our Standards

Pentland Brands plc



The logo for Berghaus, featuring a stylized square icon with a diagonal line and the brand name in a bold, sans-serif font.The logo for Canterbury, featuring a stylized wave or 'C' shape above the brand name in a bold, sans-serif font.The logo for KangaROOS, featuring a silhouette of a kangaroo above the brand name in a bold, sans-serif font.The logo for Mitre Prostar, featuring the word 'mitre' in a bold, sans-serif font with a stylized 'm' and a small icon above it, and 'PROSTAR' in a bold, sans-serif font below it.The logo for Boxfresh, featuring a stylized 'B' icon above the brand name in a bold, sans-serif font.The logo for Ellesse Italia, featuring a stylized 'E' icon above the brand name in a bold, sans-serif font, with 'ITALIA' in a smaller font below it.The logo for Lacoste, featuring a silhouette of a crocodile above the brand name in a bold, sans-serif font.The logo for Speedo, featuring the brand name in a bold, sans-serif font with a stylized arrow above the 'o'.The logo for Brasher, featuring the brand name in a bold, sans-serif font with a small icon above the 'r'.The logo for Kickers, featuring the brand name in a bold, sans-serif font with a small icon above the 'k'.The logo for Red or Dead, featuring the brand name in a bold, sans-serif font.The logo for Ted Baker London, featuring the brand name in a bold, sans-serif font with 'LONDON' in a smaller font below it.

**Building a family of brands
for the world to love
generation after generation**

* Footwear Licensee

As a family business and a family of brands, our values are resolutely family values. This means that honesty, fairness, respect and hard work run through all that we do.

Our Standards are intended to make clear what this means in terms of practical behaviour. Good governance, effective risk management and robust legal and regulatory compliance are essential to ensuring we continue to do business in the right way.

We expect our partners, whether they are distributors, licensees, suppliers or the affiliates that we work with, to adopt and implement our Standards or have their own policies that reflect equivalent or similar standards.

We believe that:

Companies that behave ethically are more financially successful and sustainable.

Our reputation will always reflect the reality of what we are.

Common sense and good judgement are invaluable.

Pentland's history is characterised by our culture – Creativity, Passion, Courage and Always Learning – and the highest regard for ethics and integrity underpinned by family values. Our future will be too.



Our commitment and approach:

Our leadership teams are focused on achieving the long-term sustainable success of our business and are committed to good corporate governance, guided by the key principles of transparency, accountability and ethical conduct.

Our approach to corporate governance is three-pronged:

- **Prevent:** create and maintain a culture that promotes our values. We strive to establish good risk management by implementing policies, procedures, training and communication and by offering advice and support.
- **Detect:** introduce controls, reviews and opportunities to speak up.
- **Respond:** confront issues swiftly and remediate them effectively and appropriately.

A) People

These Standards are important, not only because the company must comply with applicable employment laws, but also because they contribute to our culture. This ensures that our people know they belong to a company that puts them and their interests at the heart of all it does. The excellent relationships we form with our employees will enable our business to outperform and outlast our competitors.

1. We recognise that hiring and retaining the best people to work within the company is critically important.
2. We make decisions about recruitment, hiring, compensation, development and promotion on the basis of ability, skills, experience, behaviour, potential and performance.
3. We embrace diversity and pledge not to discriminate against employees or potential employees on the grounds of race, colour, religion, nationality, ethnic origin, political opinion, sexual orientation, marital status, gender, age, disability or part-time status.
4. We offer suitable and appropriate opportunities for training and professional development in order to support people in achieving their potential.
5. We always aim to provide competitive earnings and other employment benefits, on terms that are fair and safeguarded through contracts that are even-handed.
6. We always aim to recruit people who share and will uphold our Standards and values.
7. We provide a fulfilling working environment that engenders loyal and collaborative relationships among our teams.
8. We strive to treat everyone fairly, with dignity, honesty and respect, thus creating an environment where people feel valued.

9. We encourage employees to show creativity, entrepreneurialism and initiative.
10. We provide and maintain safe and healthy working environments for all employees.
11. We respect the rights of employees to practice their religions in accordance with their own beliefs (having regard to the rights of others) and encourage them to take part in civic and charitable activities.
12. We do not tolerate discrimination, bullying or harassment and will always challenge such behaviour swiftly. We encourage and empower employees to speak up about behaviour that concerns them, without fear of retaliation.
13. We have a zero-tolerance policy on workplace violence, and prohibit any act that could cause another individual to feel threatened or unsafe.
14. We do not allow employees to work under the influence of alcohol or illegal drugs.
15. We respect the privacy rights of employees by using, maintaining and transferring personal data in accordance with appropriate data protection standards.

B) Customers

1. We win and retain customers by building relationships with them. We commit ourselves to being honest and ethical, and to delivering on our promises.

2. We endeavour to provide products and services that offer customers good value in terms of price, quality, performance and style. We must therefore commit to continuous improvement and innovation.
3. We supply customers with clear and honest information about our products and services.
4. We respect the privacy rights of customers and will always treat the information they provide us with the utmost care and confidentiality.
5. We understand our responsibility to advertise our products and services in a responsible and truthful manner.
6. We strive to ensure that any quality or performance problems that occur in our products or services are dealt with promptly with the minimum inconvenience to customers.
7. We take all reasonable, practicable measures to prevent counterfeits of our products from being marketed.

C) Partners

1. We recognise that our partners, whether they are distributors, licensees, suppliers or the affiliates that we work with, have a material bearing on the level of success we achieve in our businesses.
2. We behave responsibly and ethically towards our partners.
3. We commit to initiating and maintaining strong, equitable and loyal

relationships with partners, developing mutually beneficial partnerships.

4. We evaluate prospective partner companies thoroughly against a set of business requirements before we embark upon a relationship with them. These include quality, service, assurance of supply, reputation, cost, innovation and sustainability.

5. We advise partners of Pentland's ethics, integrity, Code of Employment Standards for Suppliers, and environmental principles, which we expect them to comply with wherever relevant. All manufacturers producing Pentland product, either directly or indirectly (via licensee, agent or declared and approved subcontracting relationships), must comply with our Code of Employment Standards for Suppliers.

6. We establish clear payment terms with suppliers and honour our obligations in accordance with those terms.

7. We insist on honesty and integrity in all aspects of our business with suppliers and do not tolerate any attempts to obtain business from us by payments, hospitality or gifts to our employees or agents or members of their families.

D) Code of Employment Standards for Suppliers

We commit to ethical trade. Our Code of Employment Standards for Suppliers reflects the Ethical Trading Initiative (ETI) base code and International

Labour Organisation (ILO) conventions. This Code provides minimum standards that should be exceeded where possible. In applying it, suppliers must comply with national and other applicable laws and, where the provisions of the law and this Code address the same subject, apply the provision that gives workers the greater protection.

1. Living wages are paid

1.1. The wages and benefits paid for a standard working week are at or above national minimum legal levels or industry benchmark levels, whichever are higher. In any event, wages are always sufficient to meet basic needs and to provide some discretionary income.

1.2. All workers, before entering employment, are provided with written and understandable information about the basis and calculation of their wages and any deductions to be made from them. Then, each time they are paid, workers are given written particulars of their wages for the pay period concerned.

1.3. No deductions are made from wages as a disciplinary measure, nor are any other deductions made without the express written permission of the worker concerned, unless required by law.

2. Working hours are not excessive

2.1. Working hours must comply with national laws, collective agreements and the provisions of clauses 2.2 to 2.6 below, whichever affords the greater

protection for workers. Clauses 2.2 to 2.6 are based on international labour standards.

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

2.3. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

2.4. The total hours worked in any seven-day period shall not exceed 60 hours, except where covered by clause 2.5 below.

2.5. Working hours may exceed 60 hours in any seven-day period only in exceptional circumstances where all of the following are met:

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

2.6. Workers shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period.

*International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

3. Working conditions are safe and hygienic

3.1. A safe and hygienic working environment is provided, subject to any specific hazards intrinsic to the job. Adequate steps are taken to prevent accidents and damage 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 in the working environment.

3.2. Workers receive health and safety training on recruitment and, subsequently, at regular intervals. Additional training is given to workers who change to jobs that involve exposure to different risks.

3.3. Workers are provided with access to clean toilet facilities and potable water. Hygienic facilities for food storage are provided, if appropriate.

3.4. If accommodation is provided, it is clean and safe and meets the basic needs of the workers.

3.5. Responsibility for health and safety is assigned to a senior manager.

4. Child labour is not used

4.1. There is no recruitment of child labour.

4.2. If any incidence of child labour is identified in the supplier's industry and region, the supplier shall initiate, or participate in, a programme to transfer any children involved in child labour into quality education until they are no longer children.

4.3. No one under 18 years old is employed at night or in hazardous work or conditions.

4.4. In this Code, "child" means anyone under 15 years of age, unless national or local law stipulates a higher mandatory school leaving or minimum working age, in which case the higher age shall apply; and "child labour" means any work by a child or young person, unless it is considered acceptable under the ILO Minimum Age Convention 1973 (C138).

5. Employment is freely chosen

5.1. There is no use of forced, bonded or involuntary prison labour.

5.2. Workers are not required to lodge deposits, identity papers or any other security with their employer and are free to leave their employment after reasonable notice.

6. No discrimination is practised

6.1. There is no discrimination in recruitment, wages, access to training, promotion, termination or retirement, based on race, caste, national origin,

religion, age, disability, gender, sexual orientation, marital status, union membership, political affiliation or on any other basis unrelated to the ability to do the job.

7. There is no harsh or inhumane treatment

7.1. Physical abuse or discipline, verbal abuse, the threat of physical abuse, sexual or other harassment and other forms of intimidation are not permitted and not practised.

8. Freedom of association and the right to collective bargaining are respected

8.1. All workers have the right to join or form trade unions of their own choosing and to bargain collectively. They also have the right to choose not to join a trade union.

8.2. The supplier adopts an open attitude towards the activities of trade unions and their recruitment of members.

8.3. Workers' representatives are not discriminated against and are allowed access to the workplace to carry out their representative functions.

8.4. If rights to freedom of association and collective bargaining are restricted by law, the employer supports the development of parallel means for workers' free and independent association and bargaining.

9. Regular employment is provided

9.1. As far as possible, work is performed on the basis of the regular employment

relationship established through national law and practice.

9.2. The supplier does not attempt to avoid the normal obligations of employer to employees under labour or social security laws and regulations by replacing the regular employment relationship with arrangements such as: labour-only contracting, subcontracting, homeworking, apprenticeship schemes with no real intent to impart skills or provide regular employment, or excessive use of fixed-term contracts of employment.

10. Unauthorised subcontracting is not permitted

10.1. Subcontractors within our supply chain must be declared and approved by us in writing before any orders are placed with them. All dealings with such subcontractors must be in accordance with the terms of the licence and distribution agreements with partners.

10.2. All declared and approved subcontractors must comply with this Code of Employment Standards for Suppliers.

E) Environment

Natural resource scarcity is increasingly a global issue. Our activities affect the natural environment in a variety of ways, and we take steps to reduce this impact wherever possible. We recognise that reducing our impact on the environment is challenging, but it is important to us.

1. We commit to being as resource-efficient as reasonably practicable and we comply with relevant environmental legislation.

2. We operate facilities, including our offices, distribution centres and retail stores, efficiently with respect to energy, water and waste. For each of our facilities we aim to:

- Use energy more efficiently in order to reduce our carbon dioxide emissions, reduce costs, limit exposure to energy-scarcity risks and ensure we are better prepared to respond to new regulations.
- Reduce our water use and, in doing so, limit risk from future water scarcity.
- Reduce the amount of waste generated, and recycle as much as is practicable.

3. We limit the extent to which we use air freight to transport products, to reduce carbon dioxide emissions.

4. We look for ways to design and manufacture products with consideration for the environment, moving towards the use of more environmentally sustainable materials and packaging.

5. We manage the use of restricted substances in the manufacture of products, and comply with relevant legislation.

6. We encourage suppliers to improve the environmental efficiency of

their manufacturing facilities, and specifically to reduce energy use, water use and waste.

7. We look for opportunities to increase the proportion of environmentally preferable products and services we buy.

8. We recognise that the long-term future of our brands and products requires innovative and creative efforts to preserve and respect natural resources.

9. We support worthwhile relevant charity and community organisations and activities.

F) Our Way of Doing Business

We believe that our focus on honesty and integrity has played a central role in our success and longevity as a company. It is a hallmark of our behaviour in all that we do and affects and shapes every aspect of our relationship with our people, our customers and our partners.

1. Risk

1.1. We understand that a key component of good corporate governance is the identification, management and monitoring of risks.

1.2. We maintain a governance risk report that sets out Pentland's governance priorities and action points for the year.

2. Ethics and Integrity

2.1. We will not tolerate dishonest, unethical or corrupt behaviour.

The company has an Ethics and Integrity Policy which sets out our responsibilities, and those of the people who work for us, in observing and upholding our way of doing business. It also provides information and guidance to those working for us on how to deal with ethics and integrity issues.

2.2. We will never knowingly seek to gain an advantage by acting dishonestly or fraudulently, or by making false claims.

2.3. We will never knowingly allow company money or resources to be used for deception or fraud.

3. Bribery

3.1. We will never tolerate the giving or receiving of bribes or improper payments and we will never participate in any kind of corrupt activity, directly or through third parties.

3.2. We commit to adhering to all relevant legislation such as the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act 1977.

4. Gifts and Hospitality

4.1. Our Ethics and Integrity Policy incorporates our policy on gifts and hospitality, which is legal, fair and appropriate to our industry.

5. Conflicts of Interest

5.1. We require our employees to take great care not to involve themselves in anything that can give rise to a conflict

between their personal interests and those of the company.

5.2. We require our employees to take into account their duty of care towards the company and consult with an appropriate senior officer if in doubt. Any conflicts of interest are documented and must be approved.

6. Competition

6.1. We believe in open and fair competition and only seek competitive advantage through fair and lawful means.

6.2. We refrain from exchanging non-public or other sensitive information with third parties unless covered by appropriate agreements.

6.3. We will not seek to obtain confidential information about competitors by underhand means.

6.4. We provide resources and training to educate and inform our people about the importance of adhering to relevant and applicable competition legislation, and assist them in understanding how to prevent, detect and respond to potential challenges.

7. Intellectual Property

7.1. Intellectual property is one of our core assets and, as such, will always be used and protected properly. This includes trade marks, designs, logos, copyright and patents.

7.2. Third parties will only be allowed to use our intellectual property with proper authorisation and an appropriate agreement.

8. Information Technology

8.1. We require our employees to use their company email, internet and social media accounts responsibly and protect the security of the company's management and business information systems.

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