

## FORM: CODE OF CONDUCT (WORLDWIDE)

LION DOCUMENT CONTROL SYSTEM

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LION is committed to providing customers with the highest quality and value in our products. We believe this commitment is best met through strong relationships with our associates and by selecting business partners who share our commitment to ethical practices and agree to our standards of business conduct.

The term “Supplier” represents the party and/or their sub-contractor/s with whom LION conducts business. By signing below, the Supplier acknowledges that it is LION’s intent to conduct its business in a lawful, moral, and ethical manner in every country that we have the privilege to work. To meet this purpose, we expect Suppliers to support certain moral and ethical principles in conducting business. LION acknowledges there are different legal and cultural environments throughout the world, but this code sets forth basic requirements that Suppliers must comply with.

1. General Ethical Standards- LION respects the moral and ethical standards and beliefs of all people and cultures with which we do business. The Supplier is in turn expected to respect our rules and procedures. The Supplier is expected to operate their business in full compliance with all international laws, as well as the laws of their respective countries, and with all other applicable laws, rules, and regulations relating to commerce, environmental, health and safety.
2. Child Labor- Use of child labor is impermissible. The Supplier does not use workers that are younger than 15 years of age, or the age for completing compulsory education, or the minimum age established by law, whichever is greater. The Supplier will obtain legal proof of age prior to offering employment.
3. Customs Compliance- The Supplier will not engage in any activity which is in violation of applicable customs laws or regulations, international agreements or laws governing the international sale of goods, including, but not limited to false documentation, counterfeit visas, or illegal transshipments to evade textile quota restraints negotiated between the country of export and the country of import. The Supplier will also comply with all applicable laws, rules, or regulations governing the international sale of goods and, where applicable, owns or may legally purchase rights to export textile and apparel products under the mandatory quota agreements in effect between country of export and country of import.
4. Drug Interdiction- The Supplier will cooperate with local, national, and foreign customs and drug enforcement agencies to guard against illegal shipments of drugs.
5. Wages and Hours- The Supplier will set working hours, wages, and overtime pay in compliance with all applicable laws and regulations. Workers shall be paid at least the legal minimum wage or a wage that meets local industry standards, whichever is greater. While we understand that overtime is often required in garment production, the Supplier must allow workers a reasonable amount of time off from their duties to ensure humane and productive working conditions. Employees should be allowed at least one day off in seven.
6. Prison/Forced Labor/Human Trafficking/Slave Labor- The Supplier will not use involuntary or forced labor, either indentured, bonded, or otherwise. The Supplier will not use prison labor. The Supplier will not use fraud or coercion to obtain labor.
7. No Discrimination- The Supplier will not discriminate on the basis of gender, race, or cultural difference. The Supplier will ensure employment is based on ability and not on beliefs or any other personal characteristics.
8. Health and Safety- The Supplier must provide a safe/healthy environment for the employees in the workplace. Suppliers who provide residential facilities for their workers must provide safe and healthy facilities. The Supplier must comply with all applicable environmental laws and regulations. The Supplier agrees to notify local community authorities in case of any environmental emergency.
9. Harassment or Abuse- The Supplier will provide a work environment free of harassment, abuse, or corporal punishment in any form.

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- 10. Freedom of Association- the Supplier will recognize and respect the right of its workers to exercise lawful rights of free association, including joining or not joining any association.
- 11. Monitoring Compliance- The Supplier will maintain on site all documentation necessary to demonstrate compliance with this Code of Conduct. LION reserves the right, as a condition of doing business, to conduct periodic audit inspections of the Supplier and their facilities to verify compliance with this code.
- 12. Subcontracting- The Supplier may not subcontract work without the express written permission of LION, and then such subcontracting shall only be permitted to companies that abide by this Code of Conduct.
- 13. Garment Make, Trim and Specifications- Where applicable, once a pre-production sample has been approved, the Supplier may not change garment construction, measurement specifications, or trim used without prior written approval from LION.
- 14. Community Involvement- LION will favor business partners who share our commitment to improving community conditions.
- 15. Transshipments – The Supplier will avoid all transshipment activities.

**Right of Inspection**

To further assure proper implementation of, and compliance with, the standards set forth in this Code of Conduct, LION or a party designated by LION will undertake affirmative measures such as on-site inspection of production facilities to implement and monitor said standards. The Supplier agrees to cooperate fully and provide our representative any and all information requested regarding compliance with this Code of Conduct. Any Supplier’s failure or refusal to comply with these standards may result in immediate cancellation by LION of all its outstanding orders with that Supplier.

If LION determines that any Supplier has violated this code, LION may either terminate its business relationship or require the Supplier to implement a corrective action plan. If a corrective action is advised but not taken, LION may suspend placement of future orders and may terminate current production.

**Certification of Compliance**

Read, Understood, and Agreed to this \_\_\_\_\_ Day of \_\_\_\_\_, \_\_\_\_\_

Supplier Name: \_\_\_\_\_ Title: \_\_\_\_\_

Supplier Signature: \_\_\_\_\_