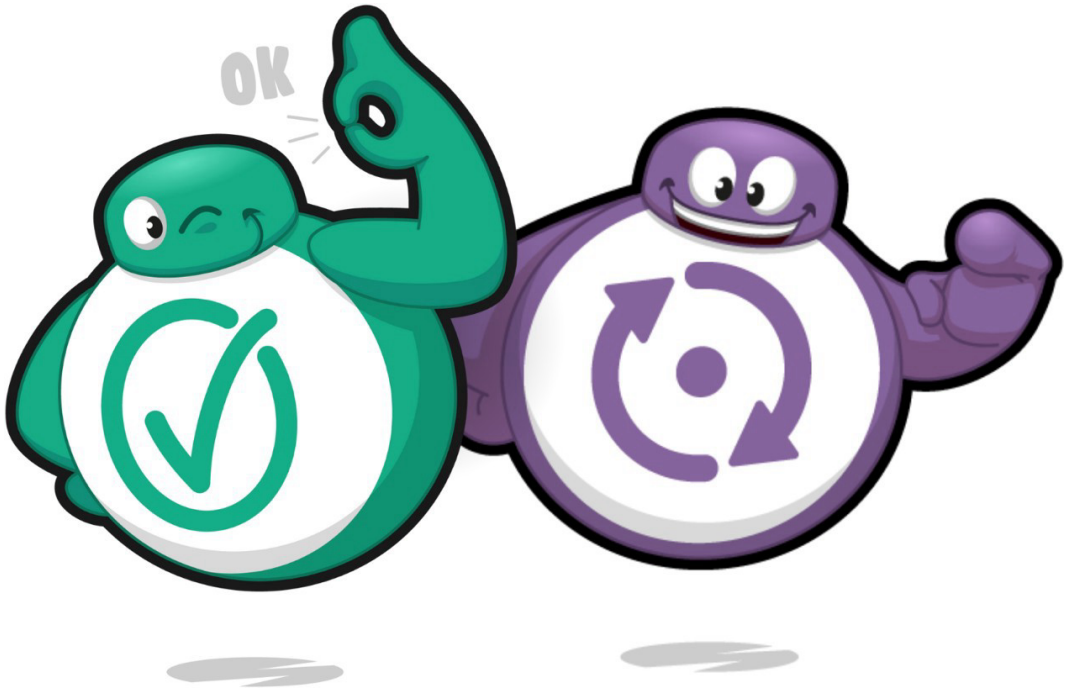
# Code of Conduct for suppliers






Version November 2026

**Erve Group Code of Conduct for the Supply of Merchandise**

The Erve Group Code of Conduct for the Supply of Merchandise (Supplier Code of Conduct) describes the standards of business conduct that we see as fundamental in our dealings with merchandise suppliers. This Supplier Code of Conduct applies to all suppliers, their subcontractors and all other business partners that do business with Erve Group. For the avoidance of doubt, this also includes buying offices, sourcing agents and other procurement intermediaries acting on behalf of or for the benefit of Erve Group, which have a specific and independent duty of full financial transparency towards Erve Group.

The code of conduct outlines our expectations for our suppliers and how we expect to work together to meet these expectations. The relationship with our suppliers is based on open and transparent discussion. Where continuous improvement of working conditions is key. Working in collaboration with our suppliers allows us to improve working standards and provide remedy, if needed. We are committed to support our supply chain to ensure worker rights are met. Our aim is to build up trustful, long-term relations and have open and transparent communication with them.

We will collaborate, build awareness and share best practices on topics such as freedom of association and health and safety amongst others by training and workshops and sharing of best practices.

We take responsibility across the whole supply chain and do this based on due diligence following the OECD guidelines (1) and ILO conventions. Certain standards are universally valid and must apply to all our commercial activities and business relationships. Where the requirements of this Supplier Code of Conduct set a higher standard than is required by local laws and regulations, suppliers must align with the requirements of this Supplier Code of Conduct. Suppliers are also responsible for ensuring that this Supplier Code of Conduct and all relevant laws and regulations are complied with within their own supply chains.

As member of the Ethical Trading Initiative (ETI), we follow the ETI base code, and we expect our suppliers to be familiar with it and to be implementing it throughout the supply chain.

Erve Group aims to translate its mission and vision in a collaborative way, working with its partners across the entire supply chain. Growth for our customers, partners and people is what we stand for. We believe in creating a level playing field rather than strict hierarchies; a positive work environment that gives everyone a chance to grow. If every individual has the opportunity to develop and to reach their full potential, we'll be happier and more successful as a team. An open environment, collaboration and growing together is what we stand for: step by step, better each time.

At Erve Group, we are committed to reducing our business impact on the environment. This includes minimizing the environmental impact of our own operations, while aiming to ensure that the diverse range of products are manufactured and purchased in a responsible and environmentally friendly manner. In addition to complying with environmental laws in each of the countries in which we directly operate, we also seek to promote environmentally sustainable practices and continuously improve our environmental management wherever possible. We aim to buy materials and products from sustainable and traceable sources in our supply chain and require this information from all our suppliers and related tier-2, tier-3 suppliers.

Furthermore, we commit to improving purchasing practices in accordance with the CFRPP (Common Framework for Responsible Purchasing Practices) guidelines. We do that in corporation with ETI (Ethical Trade Initiative) and though the participation in a learning and implementation community.

To realize this responsibility, we:

- aim to produce clothing in a socially and environmentally sustainable way
- engage with the societies in which we operate, and with our partners across our supply chain;
- provide visibility of our supply chain and transparency to the customer
- monitor our supply chain;
- address non-compliance and remediate.



# 1 Socialresponsibilities

## *1.1 Legal aspects and intellectual property*

- We will always comply fully with the legal requirements of the countries in which we do business, and our suppliers are required to do the same at all times. The intellectual property rights of third parties will be respected by all concerned.
- It is our social responsibility to respect human rights and internationally accepted standards of employment. All the requirements of this Supplier Code of Conduct are based on the International Labour Organization (ILO) standards and international human rights law, as well as the OECD guidelines.

### 1.1.1 Regular employment

- To every extent possible work performed must be on the basis of recognized 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, sub- contracting, 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.
- All workers must be provided with a written contract outlining terms of employment where required by law.
- Employment policies, practices, and records must be clearly documented and maintained.
- Training must be provided to all workers at hiring and updated regularly, covering policies, compensation, health & safety, and rights.

### 1.1.2 Protection of Vulnerable Workers

- Vulnerable workers (e.g., temporary, agency, migrant, student, pregnant workers) must be provided with equal benefits and opportunities and a workplace without prejudice.
- Where agency or migrant workers are used, there must be a clear written agreement with the agency, and due diligence must be conducted to ensure no recruitment fees are paid by workers.
- Management of vocational students, interns, and apprentices must ensure proper maintenance of records, due diligence of educational partners, and protection of student rights.

### 1.1.3 Bribery and corruption are not tolerated

- Offering, paying, soliciting, accepting bribes or facilitation payments is strictly forbidden.
- Business ethics and fair competition are important to Erve Group; therefore, Erve Group prohibits bribery, corruptibility and other corruption. Corruption and bribery are prohibited in all operations and transactions.
- Suppliers must comply with the requirements of anti-corruption and bribery as defined in the OECD Annex II and the UK Bribery Act
- All managers involved in business transactions are trained in anti-bribery and anti-corruption policies.
- The exchange of gifts, hospitality and entertainment must not have - or be perceived to have - undue influence on business decisions.

(1). This applies to all the production countries in which Erve Group currently operates and will operate in the future.

- The prohibition of bribery and corruption also includes any undisclosed price differentials, hidden margins, secret commissions, kickbacks or other financial benefits connected to Erve Group orders, whether paid in cash or otherwise.

*1.2 Supplier relationship*

- We seek to develop long-term and socially sustainable business relationships with our suppliers, who should have a natural respect for our ethical standards in the context of their own particular culture.
- Our relationships with suppliers are based on the principle of fair and honest dealings at all times and in all ways. Fair and honest dealings include the obligation to present one single, accurate and fully disclosed price to Erve Group for each order or transaction. We specifically require our suppliers to extend the same principle of fair and honest dealings to all others with whom they do business, including workers, subcontractors and other third parties.
- Obligations towards workers 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, sub-contracting or homeworking arrangements or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor must any such obligations be avoided through the excessive use of fixed- term contracts of employment.
- All suppliers and partners must inform and get prior approval from Beconnected and Erve Group for any factory, sub-contractor or sub-supplier, including labour agencies, used for production.

1.2.1 Subcontracting must be transparent and communicated

- We want our suppliers to openly communicate about their supply chain and disclose their suppliers of raw materials and other components (fabric, leather, labels, trims, packing and others) to Erve Group.
- Our first-tier suppliers are only permitted to work with nominated and approved suppliers. Our suppliers are encouraged to impose the same social and environmental requirements that we impose on them to their supply chain. Suppliers must conduct appropriate due diligence within their own supply chains and apply these standards, or comparable standards, with a focus on high-risk areas.

1.2.2 Any subcontractors must be reported to and approved by Erve Group, as must sub-suppliers, service providers and homeworkers. Whenever the processes are executed at production sites or by individuals or companies that are not specified in the contract, and that were not approved by Erve Group, this is classified as unauthorized subcontracting. Employment is freely chosen - No forced labour, human trafficking & slavery

- Forced labour will not be tolerated – this includes prison labour, indentured labour, bonded labour or other forms of forced labour that involve physical or mental abuse or any form of corporal punishment. Workers should always have access to and have control of their citizenship documents.
- Workers are not required to lodge 'deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice. Freedom of movement must not be restricted
- Under no circumstances will the exploitation of any vulnerable individual or group be tolerated.

- Breach of these principles by a supplier may lead to the termination of the relationship.
- The supplier is responsible for employment eligibility fees of all workers, including recruitment fees.
- Workers are not required to pay any form of recruitment fee or deposit to employer or agents to gain employment. In cases where a fee has been paid, the employer must promptly reimburse the worker.

1.2.3 Freedom of association and the right to collective bargaining are respected

- We recognise and respect the freedom of workers to choose whether or not to associate with any group of their choosing, as long as such groups are legal in their own country.
- Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. Worker representatives must not be discriminated against and must have access to carry out their representative functions.
- The employer adopts an open attitude towards the activities of trade unions and their representative functions in the workplace.
- Where the right of 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 bargaining.
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- There should be a procedure that allows workers to raise and address workplace

grievances without fear of reprisal. A grievance mechanism appropriate to the size and sector of the business must be in place, widely communicated,

accessible to all workers, and managed confidentially and transparently

- This procedure must be clearly communicated to workers at the time of their recruitment and be easily accessible to all workers and their representatives.
- The grievance procedure must involve an appropriate level of management.
- The management must address workers' concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned.
- The grievance procedure must not be used to undermine the role of trade unions and collective bargaining processes and must not impede access to other existing judicial, arbitration or administrative procedures.

1.2.4 Working condition are fair, hygienic and safe

- 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 minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment. Fire and emergency action plans must be in place. Regular risk assessments must be conducted, and effective measures taken to prevent accidents and illnesses.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers. Workers have the right to refuse unsafe working conditions. Workers must be trained and certified in occupational health and safety, fire safety, and chemical management where relevant.

- Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- Adequate and separate gender-sensitive toilet facilities with a sufficient level of privacy for all genders, equipped with paper towels and washbasins with hand soap, must be provided in all work areas. Similarly, sufficient and separate gender-sensitive shower facilities with privacy for all genders must be provided where applicable.
- Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers. Housing must be separate from production areas, provide reasonable personal space and privacy, and meet basic water, sanitation, and hygiene standards.
- The company observing the code shall assign responsibility for health and safety to a senior management representative. Health and safety committees with worker participation must be established where appropriate.
- Clear instructions or warning signs, comprehensible to all workers, are implemented, and lockout/ tagout procedures are in place and adhered to,

precenting unexpected energization or hazardous energy release during repair and maintenance activities.

- The Erve Group defines severe risk subtypes as: Exposed cables on the work floor or close to running water. Electrical installations and equipment in bad condition. Lack of safeguards on electrical installations and equipment. All of the above are examples of what the Erve Group defines as severe risk subtypes.
- First aid facilities and trained staff must be readily available. Workers regularly exposed to occupational hazards must be provided with health examinations.

- Relevant personal protective equipment (PPE) must be provided at no cost, and workers trained in its use.

1.2.5 Child labour shall not be used

- There shall be no new recruitment of child labour
- The use of child labour will not be tolerated. Workers must not be younger than the legal minimum age for working in any specific country and they must never be under 15 years in any country. The minimum age is the age of completion of compulsory schooling and in any case not less than 15.
- Children and young persons under 18 years shall not be employed at night or in hazardous conditions.
- Companies shall develop or participate in and contribute to policies and programs 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; "child" and "child labour" being defined in the appendices.
- These policies and procedures shall conform to the provisions of the relevant ILO standards
- Breach of these rules by a supplier may lead to the termination of the relationship.
- If a child is found to be working directly or indirectly for the supplier, the Erve Group must be informed immediately, and remediation plan developed in consultation with the child's parents or guardian and the child it concerns.
- Adequate childcare facilities for working parents are provided where appropriate (e.g., if not available locally) to support worker retention and family well-being. Suppliers are encouraged to support family-friendly workplaces, including provisions for parental leave and maintaining contact with children living separately.

### 1.2.6 Living wages are paid

- Wages and benefits paid for a standard working week meet, at minimum,

national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basics needs and to provide some discretionary income. Wages must be sufficient to cover basic needs and provide discretionary income for the worker and their dependents.

- 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 period concerned each time that they are paid. Pay slips must be provided in a language understood by the worker.

- Deduction 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. Monetary deductions related to work performance are prohibited. This means paying women and men equal wages for equal work. Policies and procedures to ensure equal pay for equal work must be established and reviewed regularly.

- A minimum of the legal minimum wage needs to be paid in a timely manner, including benefits such as holidays, leave and statutory severance when employments ends. Overtime must be compensated at a premium rate.

- A transparent, accurate system to calculate and record wages must be in place.

### 1.2.7 Working hours are not excessive

- Working hours must comply with national laws, collective agreements, and the provisions 1. And 2. below, whichever affords the greater protection for workers. These provisions are based on international labour standards.
- Workers must have at least 10 hours consecutive rest in every 24 hours.
- Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period. *

1. Working hours, excluding overtime shall be defined by contact, and shall not exceed 48 hours per week.*
2. 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 premium rate, which is recommended to be not less than 125% of the regular rate of pay.

- The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by 3.

a. Working hours may exceed 60 hours in any 7 day period in exceptional circumstances: if it is allowed by national law

b. if it is allowed by a collective agreement freely negotiated with a workers' organization representing a significant portion of the workforce

c. appropriate safeguards are taken to protect the workers' health and safety

d. the employer can demonstrate that exceptions circumstance apply such as unexpected production peas, accidents or emergencies.

- A transparent, accurate system to record working hours must be in place. Facilities must have systems to manage weekly working hours

within reasonable limits and progressively limit hours to 60 per week.

* 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

1.2.8 No discrimination is practiced

- All aspects of the employment relationship shall be based on the principle of equal opportunities.
- 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. This includes any other protected characteristics under national law.
- Workers must not be subjected to mandatory health tests unrelated to their job function. Compulsory pregnancy testing is not allowed.
- Any confirmed situation where production site management uses physical harassment and/or sexual abuse on workers or has allowed harassment to happen without adequate investigation or intervention. Examples are the option of gender separated accommodation is not provided. Unwelcome attention such as spuing, stalking, pestering, overly familiar behaviour or unwelcome verbal unphysical attention. Workers must not be subjected to bullying, victimization, intimidation, violence, corporal punishment, or physical, sexual, psychological, or verbal harassment.
- All security practices must be gender-appropriate and non-intrusive.
- Workers' right to privacy must be respected.

1.2.9 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 are prohibited.

### *1.3* Price Integrity and Financial Transparency

#### 1.3.1 Single disclosed Price

One price, consistently reported to Erve Group, no parallel pricing without written prior approval.

#### 1.3.2 No undisclosed commissions or margins

Any fee earned by a buying office or agent on an Erve Group order must be declared and agreed upfront.

#### 1.3.3 Accurate documentation

Invoices, POs, and quotes must reflect the real transaction. Shadow invoices and split invoices to disguise value are prohibited.

#### 1.3.4 Right to audit

Erve Group can audit pricing records of any agent or buying office. Records must be kept for five years. Obstruction = material breach.

#### 1.3.5 Consequences

Dual pricing = severe breach, immediate termination, financial recovery, and referral to legal authorities if applicable.

### *1.4* Conflicts of Interest

#### 1.4.1 Declaration

Anyone with a financial interest in a factory or supplier they are recommending to Erve Group must declare it in writing before any order is placed.

#### 1.4.2 Management

Erve Group decides how to manage declared conflicts. Undisclosed conflicts discovered later = breach.

## 2 Environmental responsibilities

### *2.1 Environmental Management Systems*

- Board level and/or the most senior management level must have oversight of environmental sustainability issues.
- Environmental management systems must be in place to manage actual and potential environmental impacts, including energy, water use, and waste, with systematic reviews to assess effectiveness.
- All national and local environmental protection laws and regulations must be complied with, and necessary permits maintained.

### *2.2 Climate Action and Energy*

- Major sources of GHG emissions must be identified, quantified, and reduction plans must be in place. GHG emissions must be measured, managed, and reported annually.
- Major energy sources and reduction possibilities must be identified, including exploration of renewable energy conversion.
- Suppliers are encouraged to set science-based targets for GHG emissions reduction and transition to 100% renewable electricity.
- Where required by law and permits, air emissions must be treated prior to discharge, proven by emission tests that meet standards.

### *2.3 Chemical and hazardous substances*

- The realisation of environmental standards in accordance with local and national law is complex. We therefore aim to closely work with our suppliers to meet our joint obligations towards the environment.
- We will work with our supply chain to achieve zero use and discharge of

substances deemed to be hazardous. Meanwhile, hazardous substances must be stored and handled in accordance with the law. A material safety data sheet (MSDS) must be available in factories and its instructions must be followed.

- All goods made for Erve Group must comply with the MRSL (Manufacturing Restricted Substances List) and ZDHC (Zero Discharge of Hazardous Chemicals). All raw materials used must be recorded and checked throughout the complete production process. The MRSL should be communicated to raw-material suppliers, including wet-processing facilities and sub-contractors, and factories assembling or manufacturing garments. ZDHC brands expect that material suppliers and factories will communicate with their chemical suppliers to ensure that the listed substances are not present in chemical formulations above established limits.
- Beyond this, we will also research better alternatives in facilities manufacturing our products and materials and will seek to ensure that we have appropriate measures in place for pollution prevention and control.
- Chemicals are stored, handled, transported, used and disposed of in an environmentally safe way and comply with the Safety Data Sheet (SDS) of each chemical product. Permits, licenses, and certifications for handling hazardous materials must be obtained and maintained.

*2.4 Water management and waste treatment*

We will work with our supply chain to improve water efficiency in agricultural and manufacturing processes as well as operating efficiently in our own business operations. Water usage must be measured against the output. Water-saving alternatives such as recycling water or using collected rain and surface water must be taken into consideration. In water-scarce areas, possibilities to switch to non-

drinkable water and engage the local community must be explored.

- All outgoing wastewater from wet processes must be treated before it is discharged. The quality of the discharged water must meet local and national regulations. The water should be tested periodically to ensure it meets legal requirements. Where required by law, wastewater must be treated prior to discharge, proven by tests meeting standards. Waste must be managed in accordance with local law. Hazardous and general wastes must be separated and appropriately stored, handled, transported, and disposed of. Records must be kept.
- For wet processes, the Effluent Treatment Plant needs to be available and functioning. Hazardous waste such as sludge, chemicals, chemical containers should be disposed as per the instructions (according to local laws or international standards). Sludge, chemical containers that still contain chemicals that are improperly disposed are defined as severe risk by the Erve Group.
- Major waste sources must be identified, and a waste reduction and circularity or recyclability plan must be developed. Landfill and incineration of waste should be avoided.

### *2.5 Energy efficiency and greenhouse gases*

- Erve Group seeks to improve energy efficiency and reduce the greenhouse gas emissions of our offices and distribution networks and will work with our supply chain to consciously use resources, achieve energy efficiency improvements and consider more environmentally friendly energy sources. Suppliers are required to monitor energy use, record the source and set targets for reducing resource consumption.

*2.6 Animal welfare*

- Erve Group does not make products which involve animals or any type of animal products.

*2.7 Sustainable materials*

- In partnership with our customers, Erve Group aims to increase the share of sustainable materials used, such as organic cotton, Better Cotton, Cotton made in Africa, and synthetic recyclable alternatives.

Packaging must be FSC certified and preferably be sourced from recycled and/or renewable materials. Packaging must be recyclable by the consumer, and optimized for efficiency.

## 3 Monitoring and enforcement responsibilities

*3.1 Disclosure and inspection*

- Erve Group requires its suppliers to fully disclose all facts and circumstances concerning production and the use of subcontractors to us.
- All Erve Group suppliers are obliged to make their subcontractors aware of and comply with the Supplier Code of Conduct.
- Additionally, our suppliers are required to authorize the auditing company appointed by Erve Group to make unannounced inspections of any manufacturing facility at any time.
- Erve Group is entitled to conduct facility checks of factories at random and unannounced.
- Documents and records are transparent and made publicly available according to document classification for licenses and permits; self-assessments and audits; corrective action plans and reports.

*3.3 Monitoring*

To enforce the requirements and guidelines stated in this Supplier Code of Conduct, we will ensure that standards of compliance on the part of workers and suppliers are actively audited and monitored. Suppliers must be able to demonstrate that they are applying these principles on a daily basis.

*3.4 Corrective action plans*

- Where we see a breach to the Supplier Code of Conduct, we would work together with the supplier on a corrective action plan.
- Implementation of this plan will be verified by Erve Group and remediation will be monitored.
- In the case of any Severe Risk or Severe Crisis, as defined in the subsequent chapters, the business partner must send an email to the responsible CR Unit within two business days.

### *3.5 Awareness and trainings*

- We will take all necessary steps to ensure that our workers and suppliers are fully aware of our standards and requirements.
- We will take all necessary actions to promote full understanding and cooperation with the aims and objectives of this Supplier Code of Conduct.
- All managers involved in business transactions are trained in anti-bribery and anti-corruption policies.

### *3.6 Sanctions*

- Where we believe that a supplier has breached the requirements set out in this Supplier Code of Conduct either for Erve Group production or for any other third party, we will work together with the supplier to see if the breaches can be corrected and if not, we will work together with the supplier on a phase out plan after the orders have been shipped.
- Examples of breaches might include unwillingness to cooperate or repeated violations of this Supplier Code of Conduct and local law.

- We also reserve the right to take any other possible actions that are appropriate, including legal action.

### *3.7 Reporting Mechanism*

#### 3.7.1 Confidential channel

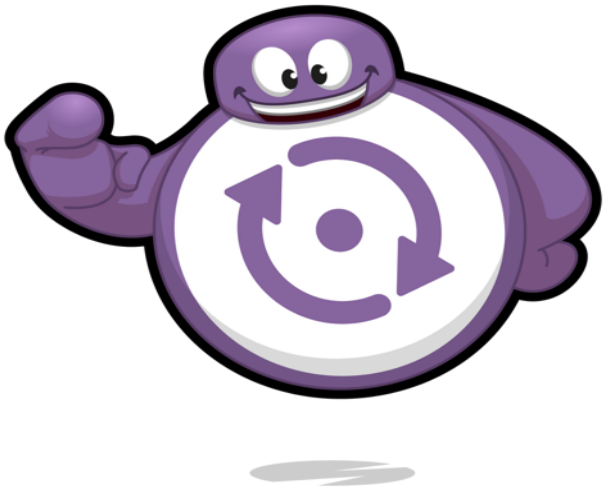
A confidential channel: support@erve.com ,for suppliers, buying-office employees, agents, and Erve Group employees to report suspected breaches including price manipulation.

#### 3.7.2 Non-retaliation

Anyone reporting in good faith is protected. Retaliation is itself a breach of this code.

#### 3.7.3 Investigation

All reports reviewed promptly. Reporter's identity kept confidential to the extent permitted by law.



We hereby confirm that we take part in and fully understand the Erve Group Code of Conduct for the Supply of Merchandise. We will inform all parties involved in our production (subcontractors, companies, factories, employers and other parties) of our commitment to the Supplier Code of Conduct.

Date: .....

Company name: .....

Name and position: .....

Signature: .....

Stamp:

This code has been reviewed by our board of directors.

This code of conduct was last updated on 16.02.2026 by our CSR department.

This code will be updated on an annual base.