

Vendor Code of Conduct

“We strive to source product in a responsible manner by operating a transparent supply chain while delivering quality, on-time product with a vendor base aligned to support our product procurement. By being open and transparent about our partnerships and by giving our customer visibility on our ethical sourcing policies, it allows our customer to make more informed purchasing decisions”

— City Chic Collective

This Code of Conduct defines City Chic Collective's **Rules of Engagement** in the following areas:

- 1.** Social Responsibility
- 2.** Ethical Sourcing Policies
- 3.** Environmental Compliance
- 4.** Standards Compliance
- 5.** Product Safety Compliance
- 6.** Animal Welfare Compliance

This Code of Conduct is prepared in the English language. Any Chinese or other language version is for reference only.

1. SOCIAL RESPONSIBILITY

City Chic Collective Limited (**CCX**) is committed to supplying our customers the highest quality product at the best possible price in the fastest possible time. We are also dedicated to ensuring standard working conditions in our partnership factories. We are endeavouring to develop long-term relationships with our vendors to ensure the best possible outcomes for all involved. We believe in sharing our technical expertise with our supply partners and investing for the future. Better working conditions improve the efficiency of the entire supply chain. Workers who are paid and treated fairly in healthy and safe environments are more productive, deliver a higher standard of quality for our

customers and, in turn, create increased value for the mutual benefit of all supply chain partners.

This Code of Conduct (**Code**) is designed to be fair, achievable, and easy to check. It sets out the social, environmental and standards compliance policies that apply to our entire supply chain including each premises used by our business partners to supply product sold in our stores. To create a “common language” for effective collaboration, this Code adopts the standards set out in the fundamental conventions of the International Labour Organisation (**ILO**) and appropriate United Nations (UN) Protocols, including our collective responsibilities under the UN Guiding Principles on Business and Human Rights

As a vendor to City Chic Collective Limited, your factories and dormitories (and those of your vendor and subcontractors) must adhere at all times to these principles and values and act strictly within local laws in the country of manufacture and all Australian and New Zealand laws for the importation of goods. CCX will not permit subcontracting to cottage or home workers. All your subcontracts must be with registered factories. CCX reserves the right to public disclosure of all factories and workshops used in the manufacture of City Chic goods.

We recognise that there are cultural differences and we do not wish to impose “Western” standards on our manufacturing partners. However, since we are choosing to ask for your partnership in our production process, we insist on the strictest compliance with the generally accepted international standards set out in this Code.

1.1 OPEN AND HONEST RELATIONSHIP

With Strong Partnerships and Collaboration – together we can drive change.

We want this to be a long-term partnership and will ensure that our communication with you is honest, clear and as expedient as possible. Our head office in Australia and our agents are there to guide and support you to help facilitate the production process efficiently and effectively.

1.2 YOUR RESPONSIBILITIES

As a valued supply chain partner, you must:

- Ensure that each of your factories & suppliers involved in the manufacture of our garments knows about and complies with this Code.

- Conduct periodic compliance audits in accordance with prudent industry practice, applying the standards set out in this Code.
- Keep accurate records showing the actions taken to comply with this Code.
- Provide all information requested by CCX to confirm such compliance in a timely manner.
- Remedy any compliance issue as soon as reasonably possible after identification or notice of the same by CCX.

[If you believe that your company is unable to comply with any of the requirements in this Code you must notify CCX before accepting any order from us.]

1.3 HUMAN RIGHTS COMPLIANCE

We expect all our partners to work with us to uphold basic human rights and compliance standards and require that they do not participate in any violation of them.

We fully support and endorse the ILO Fundamental Principles to Rights at Work and all 8 core conventions described within these principles:

1.3.1 Discrimination in Respect of Employment and occupation

1. Equal Remuneration Convention (No. **100**), 1951
2. Discrimination (Employment and Occupation) Convention (No. **111**), 1958

We employ and deal with all workers fairly and without discrimination regardless of their race, religion, sex, gender or disability. We do not discriminate against individuals who wish to exercise their legitimate rights.

1.3.2 Freedom of association and the right to collective bargaining

3. Freedom of Association and Protection of the Right to Organize Convention (No. **87**), 1948
4. Right to Organize and Collective Bargaining Convention (No. **98**), 1949

We believe in freedom of expression and freedom of thought when exercised in accordance with local laws. All workers have the right to form and join groups for the support and advancement of their occupational interests. We ensure that the voice of workers is fairly heard and taken into account.

1.3.3 Forced Labour

5. Forced Labour Convention (No. **29**), 1930
6. Abolition of Forced Labour Convention (No. **105**), 1957

We oppose any involuntary work in breach of freedom from slavery or servitude this may be forced labour, prison labour or bonded labour (people forced to work until they have paid off a debt).

We endorse the ILO Forced Labour Protocol P29, 2014 to strengthen measures against forced labour.

We respect that workers freedom of movement must be preserved at all times. Workers must be allowed to leave the work environment and go to a place of safety as determined by the worker.

This includes ensuring the right to freedom of movement for all employees to enter and leave employment willingly and voluntarily through the prohibition of withholding employee identity documents.

We will never restrict workers movement by:

- confiscating or controlling identity papers
- holding money deposits
- non-payment of wages &/or benefits
- threats of violence
- taking any other actions to prevent workers from terminating their employment.

1.3.4 Child Labour

7. Minimum Age Convention (No. **138**), 1973
8. Worst Forms of Child Labour Convention (No. **182**), 1999

Child labour is the employment of anyone under 16 years or younger than the age for completing compulsory education in the country of manufacture (whichever is higher). Every child has the right to develop physically and mentally to her or his full potential and we expect our business partners to take all reasonable steps to confirm the age of all workers and uphold the fundamental protections set out in the *United Nations Convention on the Rights of the Child*.

1.3.5 Under NO circumstances can any child labour, forced labour or prison labour be used in the manufacture of our garments.

1.3.6 Human rights must also include but are not restricted to the additional rights listed below:

- **Freedom from invasion of privacy** - we respect the right of each worker to privacy and never engage in invasive conduct such as body searches or unwanted pregnancy testing.
All workers personal data should be protected, held securely and destroyed after the mandatory holding period stipulated by local employment laws.
- **Maternity protection (ILO Convention 183, 2000)**

1.4 SOCIAL COMPLIANCE

We ask that all factories must ensure:

- Employees are fairly compensated by providing wages and benefits that are consistent with local laws and meet national legal standards as a minimum. (ILO Convention 95 and 131). See Section 1.5 Living Wage.
- Equal remuneration for men and women (ILO Convention 100)
- Reasonable employee work hours and rest periods in compliance with local standards and applicable local laws (ILO Convention 1 + 30, 47 + 116, 14 + 106).
- Overtime is voluntary and agreed to by the worker. There must not be any retaliation against workers who do not want to work overtime. Regular and excessive overtime is prohibited.
 - **Working hours should not exceed 60 hours in any 7-day period.**
 - **Regular working hours should be made clear in all employee contracts and should not exceed 48 hours in a week.**
- Safe Working Conditions:
Establish and implement occupational health and safety policies, practices and training programs that are consistent with fundamental ILO Occupational Safety & Health (OSH) standards:
 - Occupational Safety and Health Convention, 1981 (No. 155) + Recommendation 164 and its Protocol of 2002
 - Occupational Health Services Convention, 1985 (No. 161)
 - Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187).
This includes but is not limited to:
 - essential PPE
 - essential safety equipment
 - work environments with adequate lighting & ventilation; clean drinking water & toilet facilities.
 - Establish factory safety committees with worker participation.

We expect that all our partner vendor and factories will guarantee on behalf of their workers:

- the right to rest and leisure.
- the right to an adequate and safe standard of living in provided accommodation (if required).
- the right to training to perform required tasks within the workplace.
- the right to participate in the community.
- a safe and healthy workplace.
- the right to work, equal pay and the right to join a trade union if desired or available.
- the right to collective bargaining.
- the right to refuse any dangerous or unsafe work.

1.5 LIVING WAGE

CCX requires our vendors to pay above minimum wage to workers with the ultimate goal of paying a living wage.

CCX is actively involved in dialogue with other retailers and NGOs in Australia to pursue a unified approach in working towards a living wage.

Living wage is broadly defined as:

The wage which should enable the worker to provide for him/herself and his/her family not merely the basic essentials of food, clothing and shelter but a measure of comfort including education for children, protection against ill health, requirements of essential social needs and a measure of insurance against more important misfortunes and provision for old age. The required amount of income should be obtainable within normal working hours.

A living wage would allow individuals and their families to work themselves out of poverty, which is unlikely for a worker paid minimum wage. The process starts with all vendors paying above minimum wage to all their workers.

All factories must commit to paying a living wage based on the benchmarks defined by the Living Wage coalition by region and develop a roadmap with timeline to consistently pay, within 5 years, a living wage to their workers.

Progress and tracking to this standard will be monitored within CCX social compliance audits and will be reviewed on an ongoing basis to ensure progress.

2. ETHICAL SOURCING POLICIES

2.1 CCX Cotton Ban on Specific Regions

CCX insists on the ban of cotton/cotton goods from the following regions:

- **Xinjiang Uyghur Autonomous Region ("XUAR"):** subject to active Withhold Release Order ("WRO") in the United States.
- **Turkmenistan**): subject to active Withhold Release Order ("WRO") in the United States.
- **Uzbekistan**

CCX also monitors the list ("Watch List") maintained by the US Bureau of International Labor Affairs of the following countries, which may have cotton goods produced by child or forced labour:

1. Argentina
2. Azerbaijan
3. Benin
4. Brazil
5. Burkina Faso
6. China
7. Egypt
8. India
9. Kazakhstan
10. Kyrgyz Republic
11. Mali
12. Pakistan
13. Tajikistan
14. Turkey
15. Uzbekistan: CCX Ban (see CCX Banned Cotton list above)
16. Zambia

The ban of cotton / cotton goods include downstream products as follows:

- Cotton grown in XUAR, Turkmenistan and Uzbekistan.
- Cotton goods (wholly or partly) produced in XUAR, Turkmenistan and Uzbekistan.

- Cotton goods (wholly or partly) produced outside of the XUAR, Turkmenistan and Uzbekistan if they contain cotton components (including but not limited to textiles, apparel, accessories) from XUAR, Turkmenistan and Uzbekistan.
- The use of labour originating from XUAR, Turkmenistan and Uzbekistan.

CCX reserves the right to expand the banned regions from time to time pursuant to the laws and restrictions imposed by any applicable government.

CCX has signed the following pledges with the “Responsible Sourcing Network”:



Company Pledge Against Forced Labor in the Cotton Sector of Uzbekistan

We, the undersigned companies are working to ensure that forced labor does not find its way into our products. We are aware of reports documenting the systemic use of forced labor in Uzbekistan's cotton production. We are collaborating with a multi-stakeholder coalition to raise awareness of this very serious concern, and press for its elimination.

As a signatory to this pledge, we are stating our firm opposition to the use of forced labor in Uzbekistan's cotton production. We commit to not knowingly source Uzbek cotton for the manufacturing of any of our products until the Government of Uzbekistan ends the practice of forced labor in its cotton sector. Until the elimination of this practice is independently verified by the International Labour Organization as well as determined by the Cotton Campaign, we will maintain this pledge.

Company Pledge Against Forced Labor in the Cotton Sector of Turkmenistan

We, the undersigned companies are working to ensure that forced labor does not find its way into our products. We are aware of reports documenting the systemic use of forced labor in Turkmenistan's cotton production. We are collaborating with a multi-stakeholder coalition to raise awareness of this very serious concern, and press for its elimination.

As a signatory to this pledge, we are stating our firm opposition to the use of forced labor in Turkmenistan's cotton production. We commit to not knowingly source Turkmen cotton for the manufacturing of any of our products until the Government of Turkmenistan ends the practice of forced labor in its cotton sector. Until the elimination of this practice is independently verified by the International Labour Organization, as well as determined by the Cotton Campaign, we will maintain this pledge.

2.2 Elimination of Modern Slavery



CCX acknowledges that modern slavery is present within the cotton, textiles, and garment supply chain. We are intent on eliminating modern slavery from our business and we have partnered with Be Slavery Free and the Mekong Club to help realise this.

Be Slavery Free is an independent charity and advocacy group focussed on preventing modern slavery. They monitor our progress as we work with our vendors towards the goal of ensuring modern slavery is not used to make our products.

The Mekong Club works in partnership with business to provide tools, resources and training to implement best practise strategies to combat modern slavery.

To help reduce the risk of modern slavery being used in our supply chain, from the cut, make and trim stage back to the sourcing of raw material, we are committed to the following:

1. Transparency - tracing all suppliers within our supply chain from cut, make and trim stage back to sourcing of raw material.
2. Auditing through a robust social compliance programme.
3. Increasing worker voice within our supply chain
4. Educating stakeholder groups within our supply chain
5. Public reporting

It is a requirement of CCX that you engage only with factories and facilities that do not use forced or slave labour and who can report full traceability of all goods and services.

CCX will be conducting audits of all tiers of our supply chain – from farm to garment & accessory manufacture. You will be required to disclose all sources and ensure a robust audit process is already in place that meets our social accountability standards set out in this code of conduct.

In addition, we (CCX and all our supply chain partners) are required to meet legislation relating to Modern Slavery in the territories we manufacture and sell CCX product.

2.3 The Bangladesh Accord



We believe in the great work the Accord has achieved in helping factories to provide a safer building and working environment for its workers. We encourage all our factories to continue this work as the Accord transitions to The RMG Sustainability Council (RSC).

3. ENVIRONMENTAL COMPLIANCE

3.1 CONCERN FOR THE ENVIRONMENT

We are committed to protecting the environment and ask that our factories and partners also engage in the implementation of the sustainable supply chain principles:
REDUCE | REUSE | RECYCLE

CCX will favour factories and vendor that share our commitment to the environment.

3.2 PACKAGING

We encourage all vendors to reduce any excess packaging such as polybags, wrapping paper or additional cartons. Illegal logging is endangering the world's climate and environment, which may lead to deforestation and the loss of biodiversity.

We ask for the reuse of any packaging or products that can be safely incorporated into the supply chain such as hangers and boxes.

We ask that all products are supplied in a recyclable state (including by being free of staples, strapping and tacks) and that they use fully recyclable, non-toxic materials wherever reasonably possible.

3.3 USE OF TECHNOLOGY

We encourage the inclusion of the latest technology into our operation as much as reasonably possible. As well as giving a competitive edge the incorporation of technology saves time, waste and use of excessive resources. This leads to less material wastes and saves the environment.

3.4 ENERGY CONSERVATION

We ask that our partners and factories engage in the worldwide push to reduce carbon emissions and that at all times there is an emphasis on efficient energy use, including shifting to renewable energy where possible.

The carbon footprint of clothing is calculated and measured over a products life from manufacture to disposal. Not only including the energy and resources used in growing the crop and then the production manufacturing and transportation of the clothes but also the washing and drying of the garment. To further conserve resources we ask for support in the procurement of fibres that require light washing, reduced dry cleaning and can be line dried.

3.5 TEXTILE PROCESSING

We seek partnerships with vendors who are actively trying to reduce over processing and reduce the use of water and harsh chemicals in the production process. An emphasis on the utilisation of environmentally sound chemicals and fibres is encouraged in all partners and strict adherence to waste management is required.

All processing of textiles and waste management systems used must comply at a minimum to local laws

We require all factories and suppliers to register and obtain the Environmental Impact Assessment (EIA) report, in which CCX will follow up in social audits the continued progress and remediation for the EIA.

All factories and mills must be accredited by the **OekoTex 100 standard** and must present a valid certificate if supply CCX. Any factory or mill without this accreditation

must present a roadmap and application for certification before they will be considered to supply to CCX.

3.6 TRANSPORTATION OF GOODS

We ask that our factories and vendor are mindful of limiting the transportation of goods. Excessive movement of goods or the movement of goods without full container load (or freight consolidation) is both energy inefficient and costly. We endeavour to work alongside our vendor to help consolidation of freight and movement wherever possible.

4. STANDARDS COMPLIANCE

4.1 QUALITY STANDARDS

Quality in workmanship and fabrics is crucial to the success of our relationship. We expect that you will focus on quality at every level of the manufacturing process from yarn to fabric to cutting to sewing. Our AQL factory audit is 4. We also randomly inspect our local distribution centre.

All shipments that do not make this standard may be cancelled either at the factory or in our warehouse.

All factories and vendor take full responsibility for the final quality of goods manufactured by them on behalf of CCX and their retailers. Factories and vendor are obliged to ensure that the product produced fulfils the requirements of the Purchase Order, the CCX Vendor & Quality manuals and the Technical specific to the product approved by either the buyer or a CCX representative.

Any and all inspection certificates signed by CCX or their agents are only for the purpose of allowing merchandise to be shipped and do not release factories or vendor from the responsibility.

4.2 QUALITY STANDARDS MANUALS

City Chic Collective has the following sets of manuals that outline our Quality Requirements.

- Our Process
- Quality Assurance

- Sizing and Measurements
- Product Safety and Compliance
- Fabric and Testing
- Packing
- Shipping & Logistics
- International Customer requirements

We ask that all vendors and factories familiarise themselves with these manuals. Our Production departments in Australia will help you follow the processes. Acceptance of our purchase order indicates that you have reviewed the CCX manuals and that manufacturing will meet or exceed the requirements.

4.3 RIGHT OF INSPECTION

To ensure quality and compliance with our standards we reserve the right to regularly conduct factory evaluation visits and to conduct (either by CCX personnel or an appointed agent) pre-production, inline and final inspections.

Your acceptance of our order authorizes access to your manufacturing facility as required. You shall also ensure that access is extended to your vendor and subcontractors.

Inspection audits undertaken under this Code will be based on SA8000 standards taking into account applicable ILO conventions and recommendations, UN conventions and local laws.

4.4 INTEGRITY

As a valued supply chain partner, we expect you to comply with applicable laws regarding bribery and corruption.

If you are faced with an improper request from any government official (including a request for a "facilitation payment" to secure an approval or customs clearance), we ask that you notify us of the incident immediately so that we can work together to find a legally compliant solution.

In your dealing with CCX and our staff, we expect at all times that, you will maintain a high level of integrity and honesty in our business relationship. Any payment, gift or commission to any of our employees or agents will result in immediate cancellation of

our order/s and termination of future orders. We will not tolerate any hidden commissions, gifts or monies paid to a CCX team member given to them with a view to procuring business or favours. We alone are responsible for the remuneration and payment of our agents, and CCX teams.

4.5 INTELLECTUAL PROPERTY

City Chic Collective retains the intellectual property and copyright of all designs used in the manufacture of their goods. These are not to be reproduced or resold.

4.6 CONFIDENTIALITY

The information, samples and technical sheets we share with our vendor and factories are confidential and may not be shown or given to or reproduced in any form with anyone outside CCX. The confidential information can only be used in accordance with the Agreement. For example, you may not use this information to undertake direct business with other parties.

5. PRODUCT SAFETY COMPLIANCE

Our product safety Standards have been developed to ensure a safe product to customer and the environment, no matter where in the world we sell.

We ensure governance to Australian standards, EU Reach standards and to the California Prop 65 laws.

5.1 AZO DYES BAN

The Australian Government has classified AZO dyes as a serious carcinogenic poison. We require that no vendor uses AZO dyes in the manufacture of any goods.

All goods deemed risk of the use of AZO will require a test report submitted from bulk before goods can be delivered. This will be advised at time of order.

5.2 SANDBLASTING BAN

Sandblasting has been directly linked to respiratory and other medical conditions and puts factory workers at unnecessary risk. We ask that no vendor uses sandblasting

during the production of any goods. Our vendor can use either hand sanding or potassium permanganate spray to achieve the same finish as sandblasting.

5.3 CONFLICT MATERIAL BAN

Conflict Materials refer to natural resources whose systematic exploitation and trade in a context of conflict contribute to, benefit from or result in the commission of serious violations of human rights, violations of international humanitarian law or violations amounting to crimes under international law. Conflict Materials are often exploited and trade in countries or areas where there are armed conflicts including the Democratic Republic of the Congo (DRC), Central African Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia, Angola, Congo, Colombia, Cote d'Ivoire, Afghanistan and any other countries or areas of conflict. We require that no vendor uses any Conflict Materials that contribute to the manufacture of CCX goods. Our vendor should document their efforts to determine the source of the relevant materials.

5.4 FABRIC & TESTING POLICY

The CCX Fabric and Accessory testing policy and standards are set out in Section 6 of the CCX Vendor Manual 2016Jan. Please ensure that you are familiar with these fabric and accessory standards. All fabrics, accessories and other features such as prints & embroidery must meet these standards.

CCX has in place both a Restricted Substance list and a Manufacturing Restricted Substance List.

CCX assumes that all fabric and accessories used in its products will meet the stipulated standards and will ask for evidence in the form of relevant test reports only if any issue arises or if CCX assesses there could be risk in the manufacturing process at any stage.

Testing and approval of test reports will be requested for certain products, for example program lines. CCX will communicate test reports required at the time of purchase order

All testing must be performed in an accredited testing lab and official test report issued. We recommend Asia Inspection as our preferred Lab of Choice and we have set up CCX preferred vendor service and pricelist.

(The CCX Vendor Manual lists the required certification and the laboratories to which testing should be limited).

6. ANIMAL WELFARE COMPLIANCE

Should any products contain components derived from animals, we insist that all animals should be afforded:

- Freedom from hunger and thirst;
- Freedom from discomfort;
- Freedom from pain, injury and disease;
- Freedom to express normal behaviour;
- Freedom from fear and distress.

6.1 BANNED FIBRES/MATERIALS

6.1.1 ANGORA BAN

CCX insist on the boycott of the use of Angora. We require no vendor uses Angora Yarn in the production of any goods. Our vendor must also ensure that recycled yarns (mainly used in boucle / tweeds or textured woven fabrics) do not contain any Angora content.

6.1.2 AUSTRALIAN MERINO WOOL

We ask that no vendor engages or purchases for production of any goods Australian Merino wool from farms where mulesing is practiced. Only bales of wool with a Non Mulesing (NM) or Ceased Mulesing (CM) status should be purchased for production of CCX goods. Our vendor must produce an AWTA ITWO combined certificate including the mulesing status for the wool batches purchased for production of CCX goods. Vendor should also demonstrate how the bales of wool purchased for CCX goods are traceable throughout the production process to ensure the integrity of CCX goods.

6.1.3 REAL FUR BAN

CCX ban the use of real fur. We require that no vendor uses real fur in any production of goods. This includes in trims or accessories.

6.1.4 REAL EXOTIC SKINS BAN,

CCX ban the use of real exotic skins including but not limited to snake and crocodile. We require that no vendor uses real exotic skins in any production of goods. This includes in trims or accessories.

6.2 RESTRICTED FIBRES/MATERIALS

6.2.1 FEATHER & DOWN

If the goods you supply to CCX contain feathers or down, you must ensure that:

- the feathers & down should be a by-product of birds raised for their meat for the food industry.
- The Responsible Down Standard is followed as a minimum standard for animal welfare and husbandry as well as chain of custody practise.
- there are NO live plucking or force-feeding practices.

6.2.2 MERINO WOOL FROM ALTERNATE COUNTRY (NOT AUSTRALIA).

Vendors must demonstrate the country of origin of the merino and chain of custody through the whole supply chain from farm to final product.

The Responsible Wool Standard must be followed as a minimum standard.

6.2.3 CASHMERE AND MOHAIR

Vendors must follow the Responsible Wool Standard and Responsible Mohair Standard as a minimum.

Chain of custody must be demonstrated from farm to final product.

6.2.4 REAL LEATHER

The type of leather must be verified and be a by-product of the food industry.

International animal welfare standards from the World Organisation For Animal Health (OIE) must be met as a minimum.

Chain of custody information including the type of tanning process should be submitted for review.

7. Vendor Declaration

On behalf of:

[Insert above full legal name of vendor or factory name in English (and in Mandarin or other relevant local language in brackets)] ("Vendor"),

I declare as the validly appointed and authorised legal/authorised representative of the Vendor, that we have read, understood and will act and conduct the business of the Vendor as outlined by this document:

.....
Signed (and affix company chop if applicable)

.....
Name of Authorised Representative

.....
Position

.....
Date